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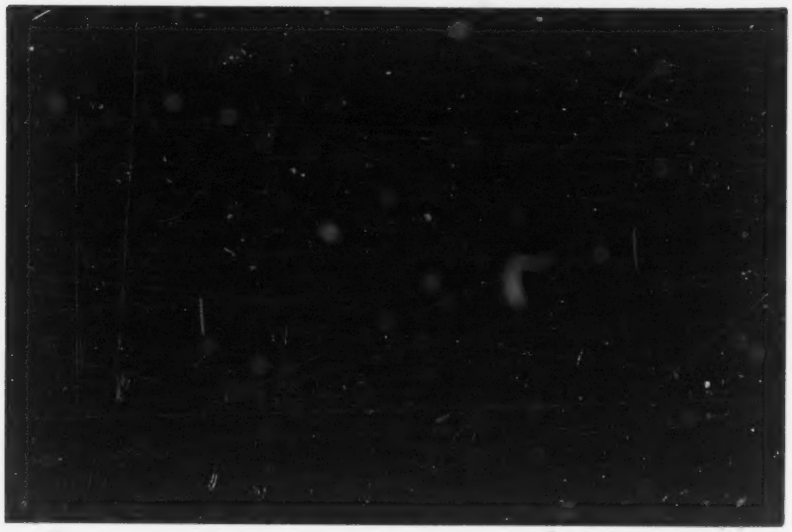
SURVEYS OF CONSUMER ATTITUDES



SURVEY RESEARCH CENTER
UNIVERSITY OF MICHIGAN

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TABLES AND CHARTS

APRIL 1981

The April 1981 survey is the 129th in a series of survey of consumer attitudes conducted during the last 30 years. The purpose of these surveys is to measure changes in consumer attitudes and expectations, and to increase understanding of why these changes occur and how they affect consumer decisions to make discretionary purchases or to save. This type of understanding is an essential ingredient for forecasting changes in aggregate consumer behavior.

Two charts are presented for most questions. One gives quarterly results from 1955 to the last quarterly observation. A second chart shows monthly results since January of 1978, when this series was instituted, along with a simple three-month moving average, plotted on the last of the three months.

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CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

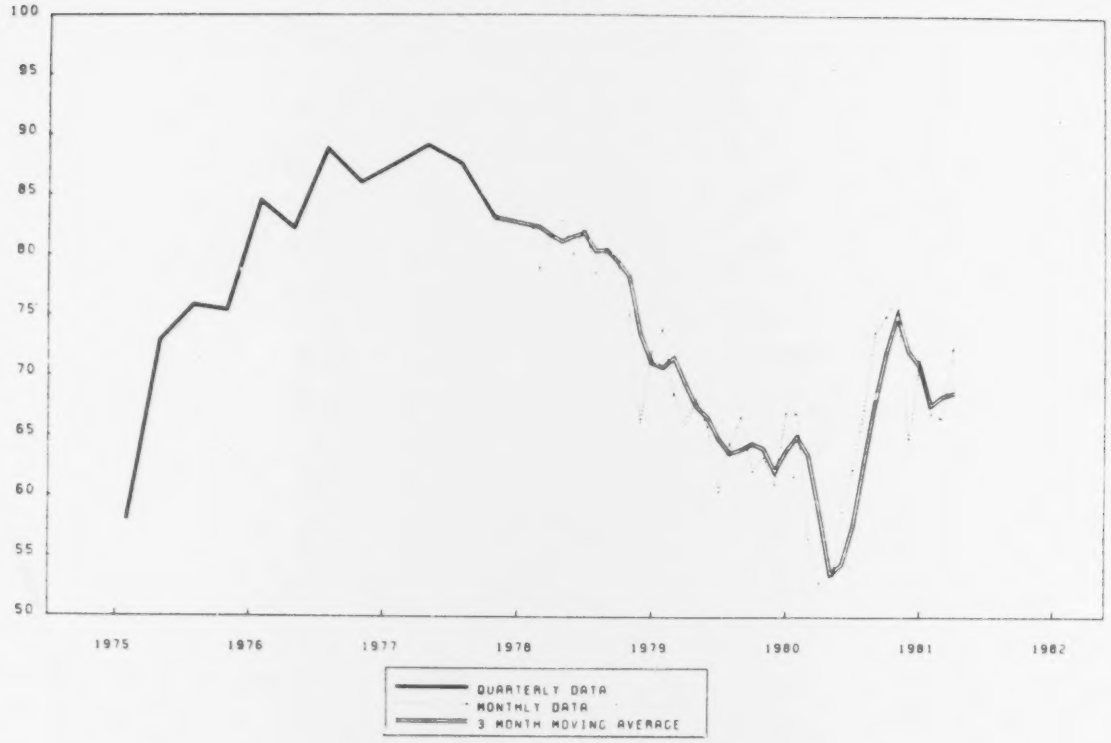

CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT

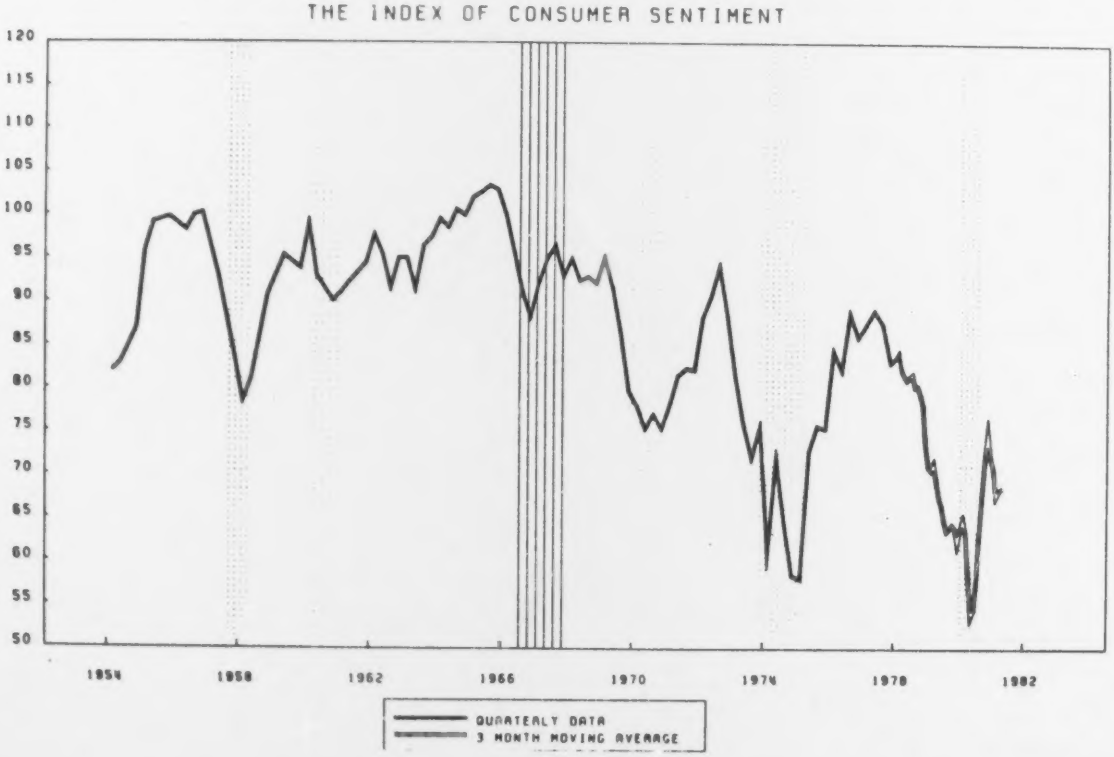

TABLE 1

THE INDEX OF CONSUMER SENTIMENT

DATE OF SURVEY	All families	Families with incomes over $20,000	Families with incomes over $25,000
April 1978	81.6	94.5	92.9
May 1978	82.9	87.1	90.0
June 1978	80.0	92.7	94.6
July 1978	82.4	91.7	92.4
August 1978	78.4	85.1	85.4
September 1978	80.4	87.2	87.2
October 1978	79.3	88.1	89.1
November 1978	75.0	81.0	83.0
December 1978	66.1	73.8	76.8
January 1979	72.1	83.7	84.8
February 1979	73.9	84.3	86.6
March 1979	68.4	75.3	73.6
April 1979	66.0	73.7	77.0
May 1979	68.1	73.5	76.7
June 1979	65.8	71.8	72.9
July 1979	60.4	67.2	68.0
August 1979	64.5	70.0	71.3
September 1979	66.7	71.6	74.4
October 1979	62.1	65.6	65.5
November 1979	63.3	68.3	69.9
December 1979	61.0	66.2	73.2
January 1980	67.0	70.8	70.9
February 1980	66.9	70.8	73.5
March 1980	56.5	62.3	64.5
April 1980	52.7	54.2	57.2
May 1980	51.7	55.2	53.3
June 1980	58.7	61.6	63.7
July 1980	62.3	67.6	67.3
August 1980	67.3	70.9	74.2
September 1980	73.7	78.1	78.5
October 1980	75.0	76.3	78.7
November 1980	76.7	82.7	87.5
December 1980	64.5	66.9	68.6
January 1981	71.4	74.8	77.1
February 1981	66.9	74.2	77.5
March 1981	66.5	72.1	73.7
April 1981	72.4	77.1	78.0

CHART 2A

INDEX OF CONSUMER SENTIMENT WITHIN AGE SUBGROUPS

CHART 2B

INDEX OF CONSUMER SENTIMENT WITHIN REGION SUBGROUPS

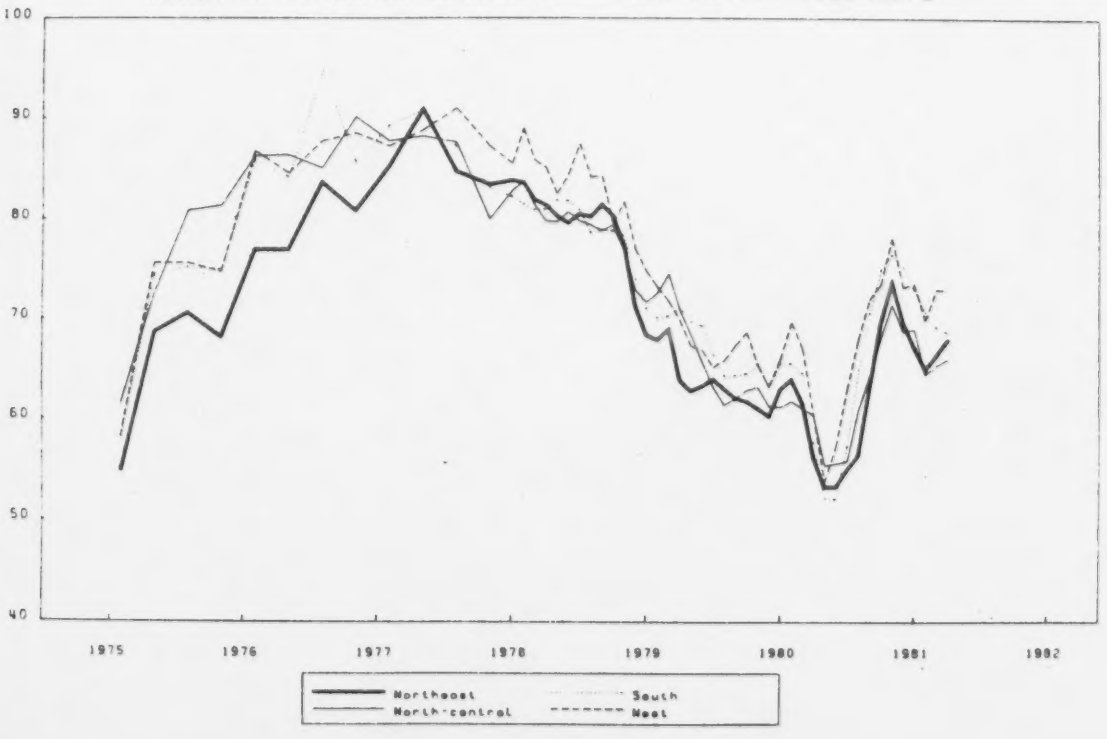

TABLE 2

INDEX OF CONSUMER SENTIMENT WITHIN REGION AND AGE SUBGROUPS

DATE OF SURVEY		CENSUS REGION				AGE OF RESPONDENT		
		North East	North Central	South	West	18-34	35-54	55+
April	1978	82.5	80.9	81.6	81.6	91.8	79.7	74.0
May	1978	79.7	81.5	84.3	86.4	95.1	78.9	74.5
June	1978	76.5	79.6	79.5	85.1	91.7	75.7	72.4
July	1978	85.4	78.2	78.8	91.0	92.2	78.4	77.4
August	1978	78.7	80.4	77.6	76.2	87.8	77.2	69.8
September	1978	80.1	77.8	80.3	85.6	86.6	83.9	72.1
October	1978	82.2	79.9	78.4	77.1	90.6	76.7	70.8
November	1978	69.6	73.1	76.1	82.4	82.5	73.3	69.0
December	1978	62.1	65.6	67.5	71.4	71.7	63.9	63.6
January	1979	73.5	76.4	69.3	70.6	82.7	70.6	63.2
February	1979	68.0	75.8	73.5	77.5	80.9	74.6	67.7
March	1979	65.5	71.3	68.0	67.4	77.9	64.7	63.3
April	1979	58.1	65.6	71.9	64.8	71.5	66.4	61.8
May	1979	64.9	68.2	69.1	69.6	74.6	65.3	64.1
June	1979	66.8	63.3	66.8	66.3	71.2	62.9	63.9
July	1979	60.4	58.0	63.3	59.7	67.7	60.9	54.1
August	1979	61.7	63.0	62.9	71.7	72.1	64.0	58.2
September	1979	64.1	65.2	67.0	70.9	71.5	66.8	63.2
October	1979	59.5	60.4	64.0	63.5	69.5	58.3	60.1
November	1979	59.8	64.1	65.8	61.9	70.8	60.7	57.3
December	1979	61.7	59.5	59.7	64.6	68.1	57.1	59.3
January	1980	67.4	60.1	71.3	71.6	75.5	63.1	61.6
February	1980	63.0	65.9	65.7	72.8	74.3	65.7	60.5
March	1980	54.4	57.3	56.7	56.9	61.4	56.2	50.7
April	1980	50.9	58.0	50.7	51.5	60.5	43.6	51.8
May	1980	54.6	50.8	49.3	53.0	62.8	46.6	43.4
June	1980	54.4	58.0	56.4	67.3	65.9	53.5	58.1
July	1980	55.9	58.5	66.4	68.6	69.9	58.1	58.8
August	1980	59.0	66.2	72.6	68.1	72.0	64.8	66.0
September	1980	76.3	68.3	71.8	79.5	78.6	73.4	69.4
October	1980	75.7	70.2	79.1	73.1	80.2	70.2	74.0
November	1980	71.1	76.2	77.3	81.9	85.3	73.5	70.3
December	1980	62.3	59.9	69.3	64.6	76.0	56.7	60.1
January	1981	68.2	70.9	72.5	74.4	77.2	70.2	67.9
February	1981	64.5	62.6	70.2	70.8	72.5	68.4	59.6
March	1981	66.5	62.6	64.9	73.7	77.3	63.9	58.4
April	1981	72.6	72.7	71.0	74.2	81.5	68.3	66.9

CHART 3 - RECENT CHANGES
CURRENT AND EXPECTED COMPONENTS

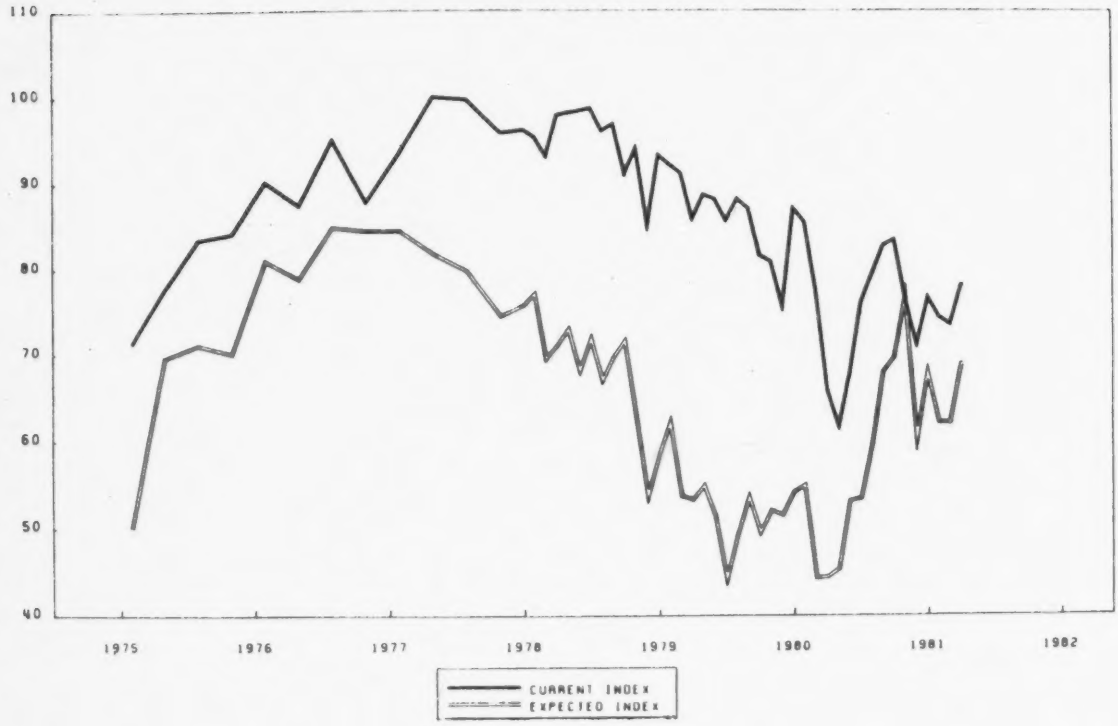

CHART 3 - HISTORICAL SERIES
CURRENT AND EXPECTED COMPONENTS

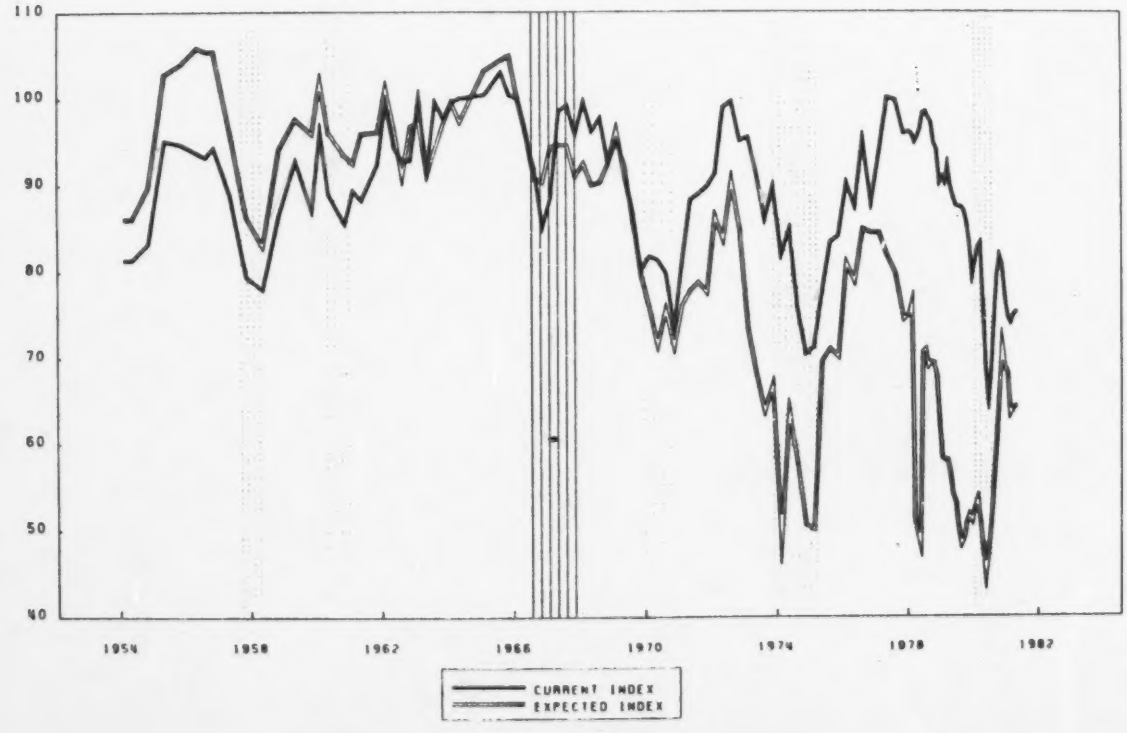

TABLE 3

COMPONENTS OF THE INDEX OF CONSUMER SENTIMENT

DATE OF SURVEY	INDEX COMPONENTS +						
	Personal finances		Business conditions				
	Current	Expected	12 months	5 years	Buying conds.	Current Index	Expected Index
	(1)	(2)	(3)	(4)	(5)	(1,5)	(2,3,4)
April 1978	104	112	99	71	148	98.0	71.1
May 1978	105	111	99	79	147	98.2	73.0
June 1978	107	102	97	71	146	98.4	68.1
July 1978	108	111	105	69	146	98.7	72.0
August 1978	101	112	82	70	145	96.1	67.0
September 1978	109	109	96	71	140	96.9	69.8
October 1978	96	104	103	77	138	91.2	71.7
November 1978	106	106	74	67	135	94.1	62.8
December 1978	95	96	61	53	123	85.2	53.8
January 1979	101	99	72	58	139	93.3	58.4
February 1979	98	98	75	71	138	92.2	62.2
March 1979	96	99	57	53	138	91.2	53.7
April 1979	85	90	63	55	134	85.9	53.3
May 1979	91	95	58	62	136	88.7	54.9
June 1979	92	91	54	55	134	88.2	51.4
July 1979	90	92	39	40	130	85.7	44.2
August 1979	95	98	46	48	131	88.2	49.3
September 1979	90	98	60	51	133	87.1	53.6
October 1979	83	96	48	49	126	81.6	49.5
November 1979	86	97	52	54	120	80.9	52.0
December 1979	83	101	50	50	110	75.8	51.5
January 1980	96	106	58	47	127	87.1	54.1
February 1980	85	99	55	60	134	85.5	54.9
March 1980	76	92	38	41	116	75.3	44.3
April 1980	73	94	32	45	94	65.8	44.4
May 1980	79	100	31	44	77	61.7	45.3
June 1980	78	101	43	63	93	67.4	53.0
July 1980	90	105	45	58	104	76.1	53.4
August 1980	93	111	63	60	109	79.4	59.6
September 1980	91	117	83	69	121	82.7	67.9
October 1980	90	108	84	83	123	83.4	69.6
November 1980	83	118	94	93	112	76.4	76.9
December 1980	77	100	64	73	104	71.2	60.2
January 1981	80	109	78	81	116	76.7	67.9
February 1981	80	106	64	73	109	74.4	62.1
March 1981	86	104	68	72	101	73.5	62.1
April 1981	79	111	83	78	121	78.1	68.8

(1) See Table 4.
(2) See Table 6.
(3) See Table 18.
(4) See Table 19.
(5) See Table 26.

+ : Percent saying "GOOD TIMES" (or "BETTER"), minus percent saying "BAD TIMES" (or "WORSE"), plus 100.

CHART 4 - RECENT CHANGES

CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

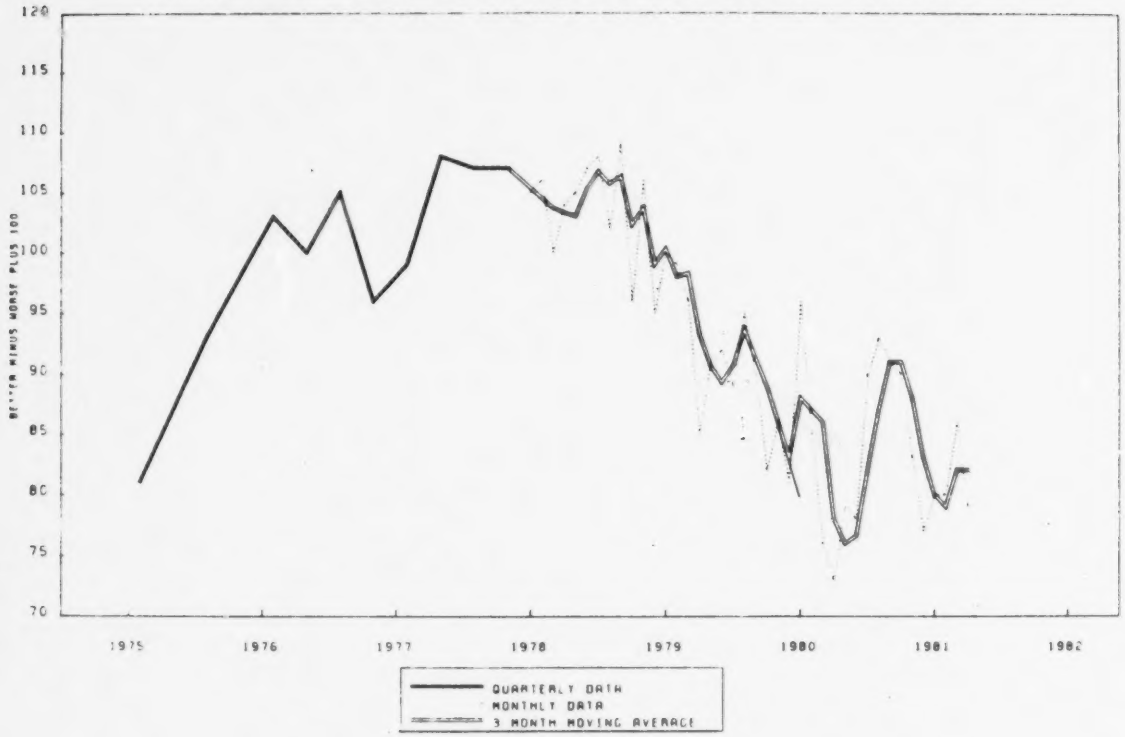

CHART 4 - HISTORICAL SERIES

CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

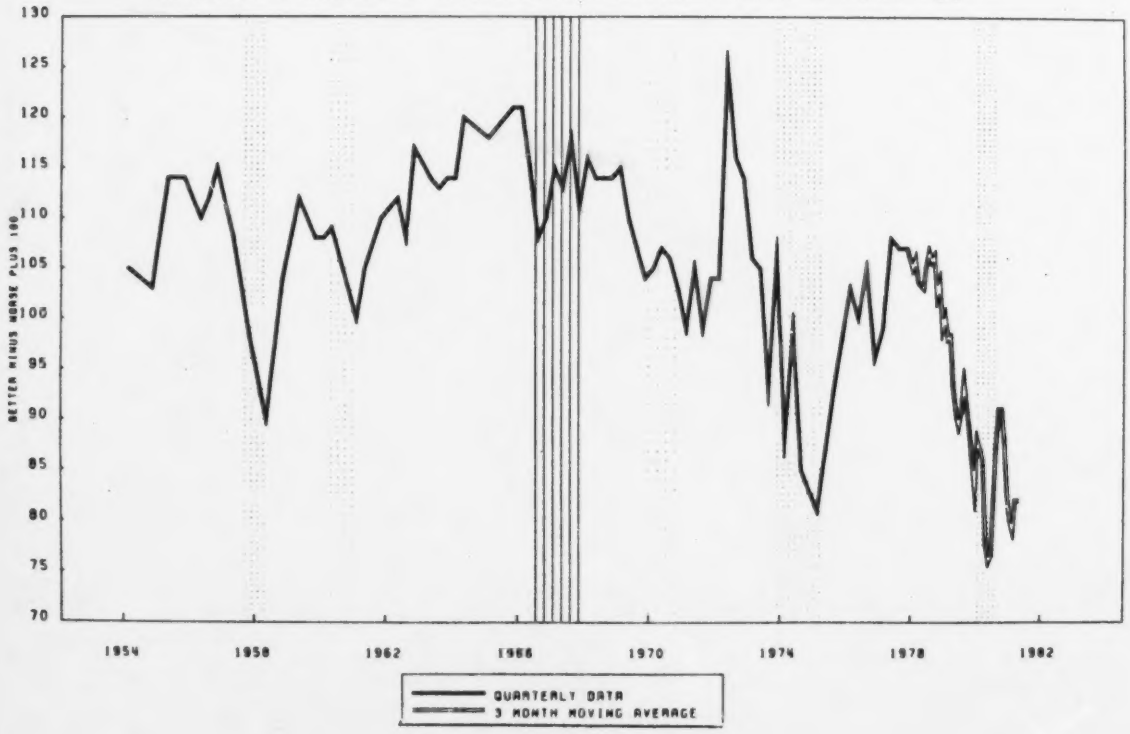

TABLE 4

CURRENT FINANCIAL SITUATION COMPARED TO A YEAR AGO

	Apr. 1980	May 1980	June 1980	July 1980	Aug. 1980	Sept 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
BETTER OFF	24%	26%	25%	30%	33%	31%	30%	28%	25%	25%	27%	29%	25%
SAME	25	26	26	29	26	27	30	26	26	30	26	28	28
WORSE OFF	51	47	47	40	40	40	40	45	48	45	47	43	46
DK, NA	*	1	2	1	1	2	*	1	1	*	*	*	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	719	703	688	668	658	682	685	694	684	698	668	703	690

The question was: "We are interested in how people are getting along financially these days. Would you say that you (and your family living there) are better off or worse off financially than you were a year ago?"

* : Less than half of one percent.

CHART 5 - RECENT CHANGES

REASONS FOR FINANCIAL SITUATION COMPARED TO A YEAR AGO

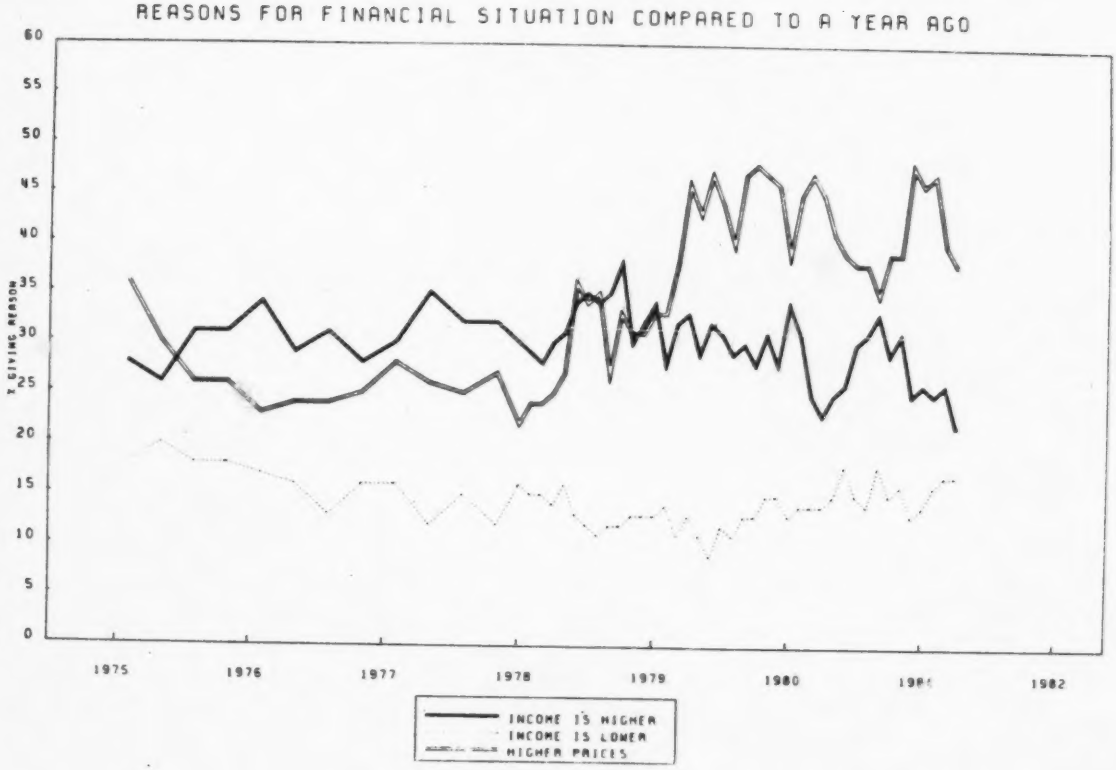

TABLE 5

SELECTED REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION +

	Apr. 1980	May 1980	June 1980	July 1980	Aug. 1980	Sept 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
BETTER OFF THAN YEAR AGO:													
Income is higher	23%	25%	26%	30%	31%	33%	29%	31%	25%	26%	25%	26%	22%
WORSE OFF THAN YEAR AGO:													
Income is lower	14	15	18	15	14	18	15	16	13	14	16	17	17
Higher prices	45	41	39	38	38	35	39	39	48	46	47	40	38

Responses to the query: "Why do you say so?" following the question on Table 4.

+ : May add to more than 100% due to multiple mentions.

CHART 6 - RECENT CHANGES

EXPECTED CHANGE IN FINANCIAL SITUATION

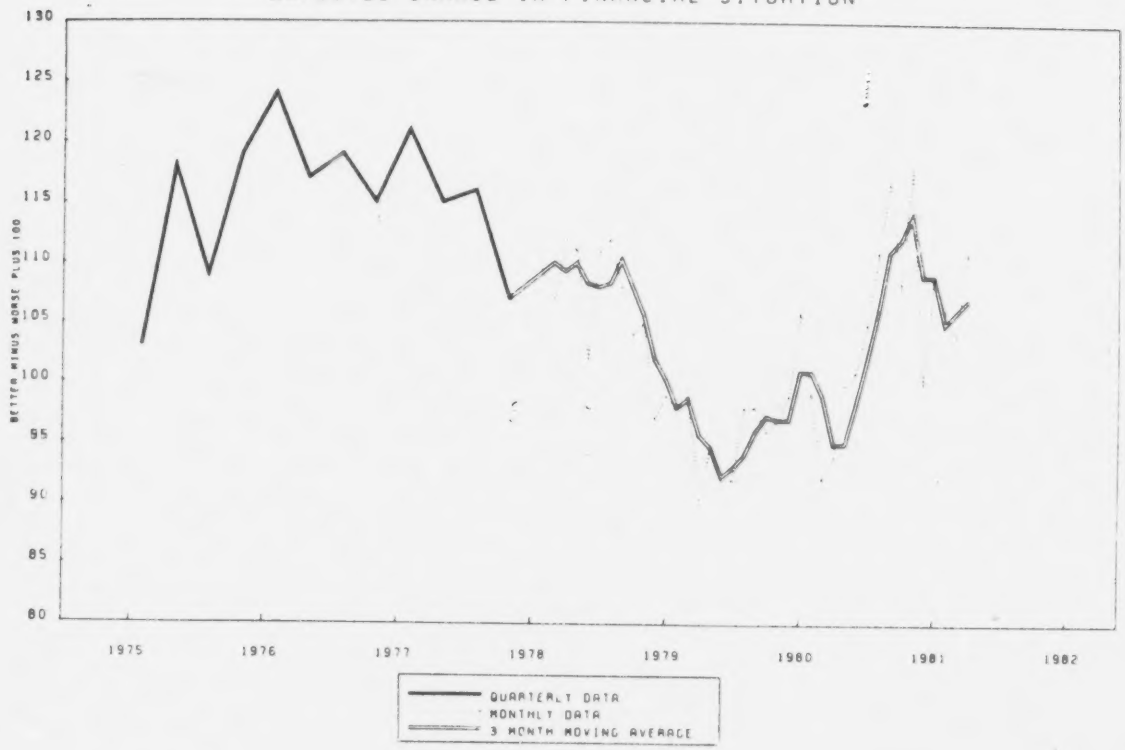

CHART 6 - HISTORICAL SERIES

EXPECTED CHANGE IN FINANCIAL SITUATION

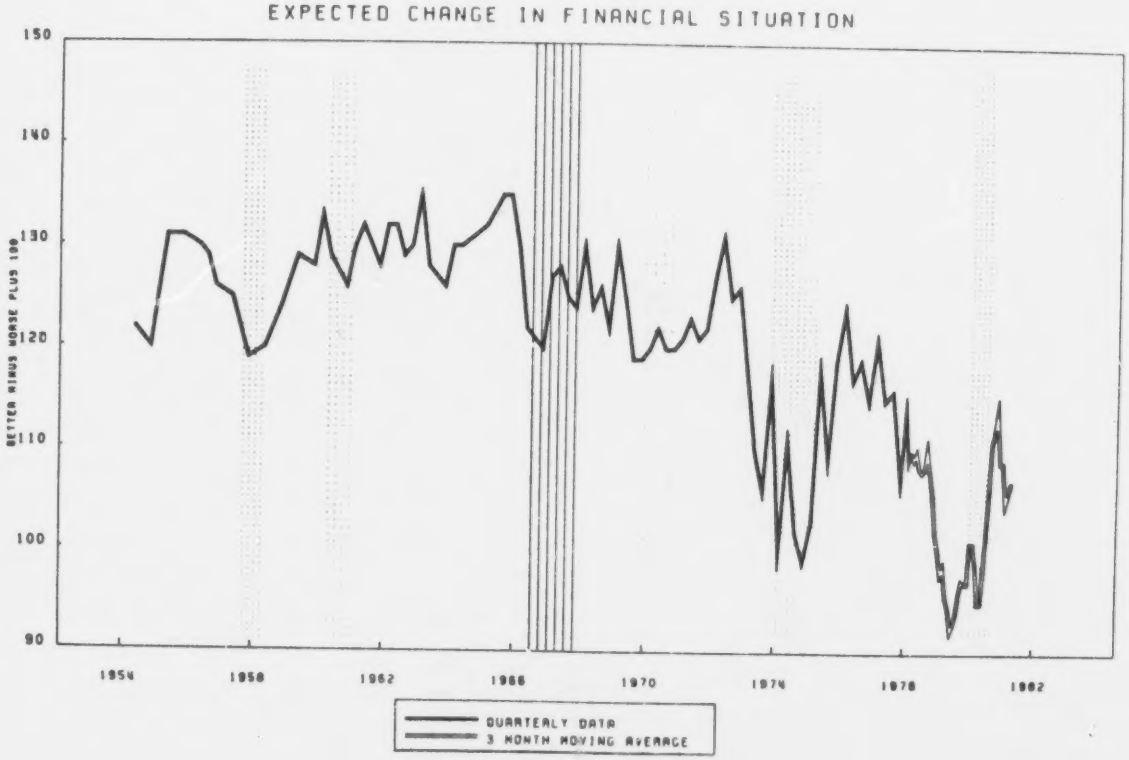

TABLE 6

EXPECTED CHANGE IN FINANCIAL SITUATION

	Apr. 1980	May 1980	June 1980	July 1980	Aug. 1980	Sept 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
BETTER OFF	25%	27%	26%	26%	30%	34%	25%	35%	25%	27%	26%	28%	30%
SAME	42	43	46	48	48	45	50	42	45	48	48	45	47
WORSE OFF	31	27	25	21	19	17	17	17	25	18	20	24	19
DK,NA	2	3	3	5	3	4	8	6	5	7	6	3	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	719	703	688	668	658	682	685	694	684	698	668	703	690

The question was: "Now looking ahead--do you think that a year from now you (and your family living there) will be better off financially, or worse off, or just about the same as now?"

CHART 7 - RECENT CHANGES

TREND IN PERSONAL FINANCIAL SITUATION

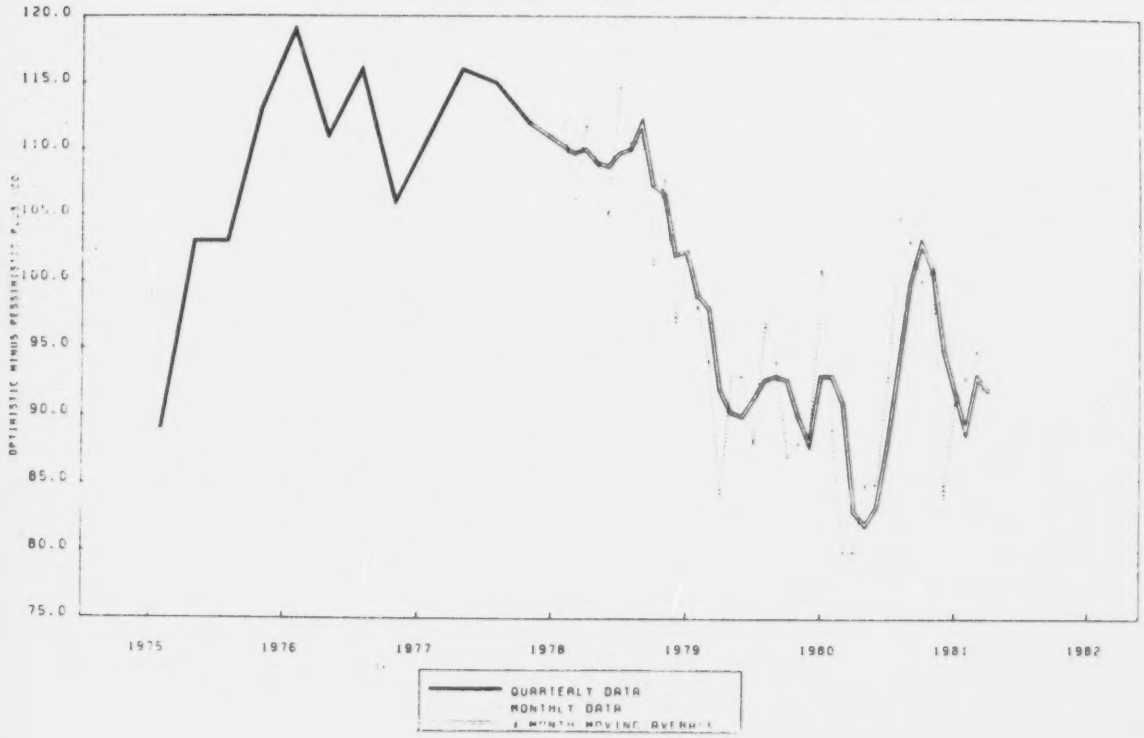

CHART 7 - HISTORICAL SERIES

TREND IN PERSONAL FINANCIAL SITUATION

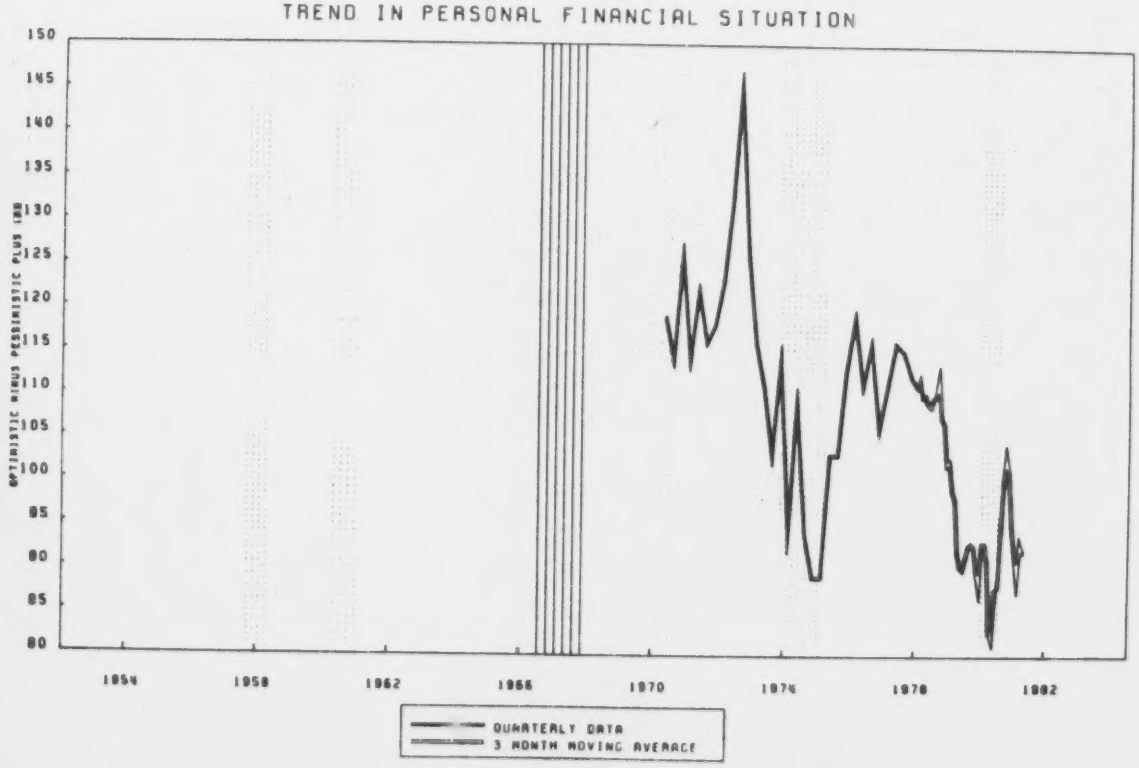

TABLE 7

TREND IN PERSONAL FINANCIAL SITUATION

	Apr. 1980	May 1980	June 1980	July 1980	Aug. 1980	Sept 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
PERSONAL FINANCIAL PROGRESS:													
Continuous increase (a)	8%	11%	10%	12%	12%	14%	12%	13%	9%	10%	8%	12%	11%
Intermittant increase (b)	16	17	16	19	22	19	20	19	18	17	20	19	16
Remain unchanged (c)	14	12	14	14	16	15	18	13	12	16	15	15	14
Intermittant decline (d)	23	27	27	28	17	21	21	22	28	25	23	22	27
Continuous decline (e)	21	16	14	10	12	9	11	9	15	11	12	14	11
Mixed change (f)	16	14	15	11	18	16	10	18	13	14	16	14	15
DK, NA	2	3	4	6	3	6	8	6	5	7	6	4	6
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	719	703	688	668	658	682	685	694	684	698	668	703	690

Combination of the responses to the questions on Tables 4 and 6.

Key: (a) Better off financially than a year ago/Better off a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

TABLE 8

EXPECTED FAMILY INCOME CHANGE DURING THE NEXT 12 MONTHS

	Apr. 1980	May 1980	June 1980	July 1980	Aug. 1980	Sept 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
EXPECT INCREASE:													
1-4%	5%	6%	5%	5%	6%	7%	8%	5%	8%	6%	8%	7%	6%
5%	8	7	7	8	10	7	7	10	7	8	7	9	8
6-9%	14	12	13	11	15	16	15	10	12	10	10	11	11
10-24%	23	24	25	20	20	21	21	26	22	21	20	21	22
25% or more	7	6	8	5	6	5	7	7	7	6	7	7	7
DK how much up	7	8	8	10	9	10	10	8	8	9	9	9	9
EXPECT SAME	25	22	21	21	21	21	21	24	22	24	24	21	25
EXPECT DOWN	9	13	12	18	11	10	9	7	11	12	11	12	10
DK, NA	2	2	1	2	2	3	2	3	3	4	4	3	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	719	703	688	668	658	682	685	694	684	698	668	703	690

The questions were: "During the next 12 months, do you expect your (family) income to be higher or lower than during the past year?" and "By about what percent do you expect your (family) income to increase during the next 12 months?"

CHART 9 - RECENT CHANGES

INCOME OR PRICES UP MORE DURING THE LAST YEAR

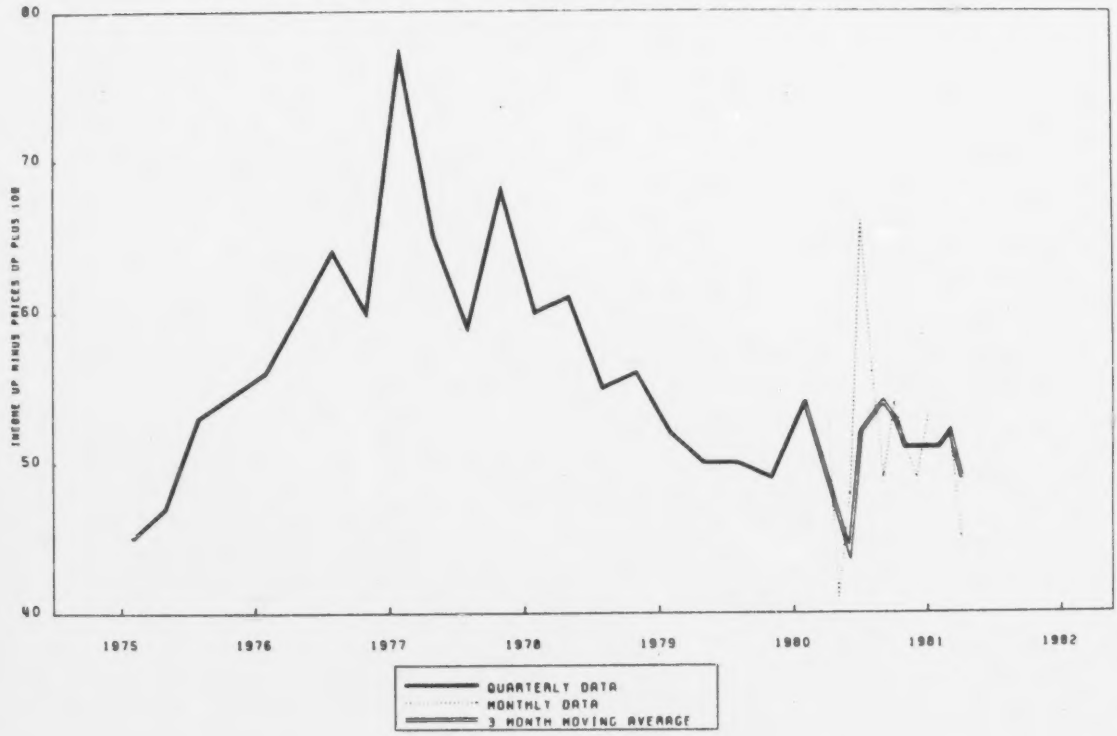

TABLE 9

PAST CHANGE IN REAL FAMILY INCOME

	Apr. 1980	May 1980	June 1980	July 1980	Aug. 1980	Sept 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
INCOME UP MORE	11%	8%	11%	12%	13%	12%	13%	10%	11%	13%	10%	13%	9%
INCOME UP SAME	22	22	25	30	29	24	25	30	24	25	28	24	26
PRICES UP MORE	66	67	63	56	57	63	59	59	62	60	59	61	64
DK,NA	1	3	1	2	1	1	3	1	3	2	3	2	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	719	703	688	668	658	682	685	694	684	698	668	703	690

The question was: "During the last year or two, would you say that your (family) income went up more than prices, went up about the same as prices, or went up less than prices?"

CHART 10 - RECENT CHANGES

INCOME OR PRICES UP MORE NEXT YEAR

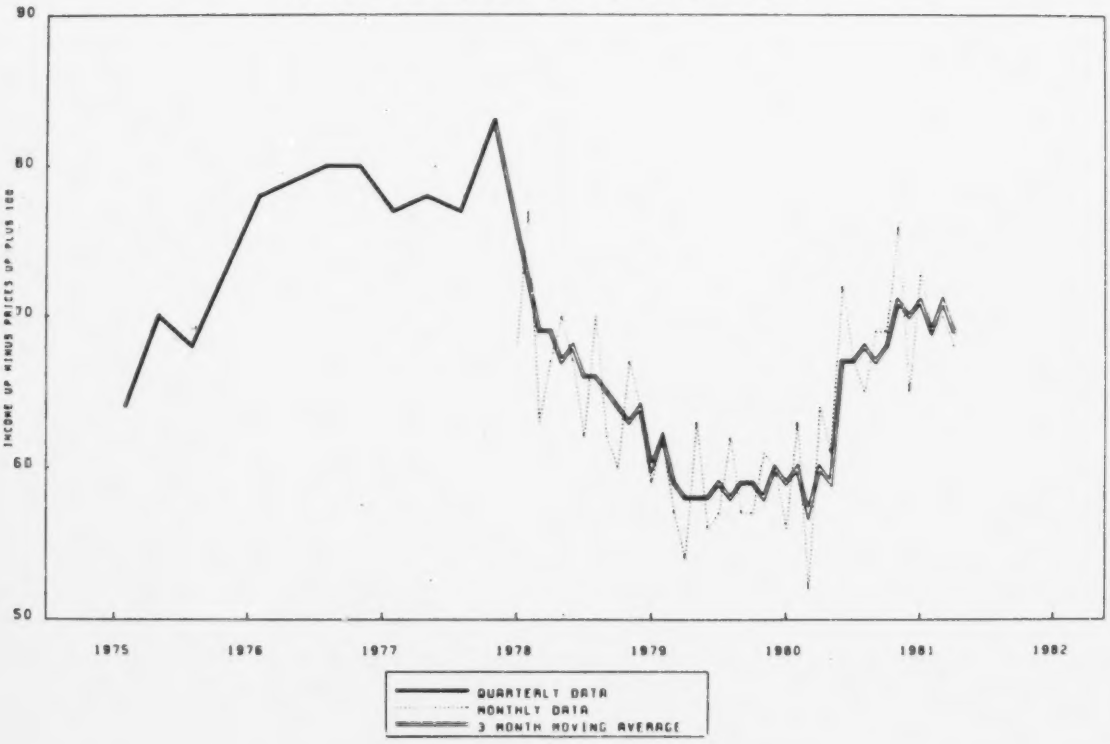

TABLE 10

EXPECTED CHANGE IN REAL FAMILY INCOME

	Apr. 1980	May 1980	June 1980	July 1980	Aug. 1980	Sept 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
INCOME UP MORE	12%	12%	14%	12%	11%	14%	12%	16%	12%	14%	11%	14%	13%
INCOME UP SAME	37	34	41	38	40	38	42	42	36	39	43	38	39
PRICES UP MORE	48	51	42	45	46	45	43	40	47	41	42	44	45
DK, NA	3	3	3	5	3	3	3	2	5	6	4	4	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	719	703	688	668	658	682	685	694	684	698	668	703	690

The question was: "How about the next year or two--do you expect that your (family) income will go up more than prices will go up, about the same, or less than prices will go up?"

CHART 11 - RECENT CHANGES

TREND IN INCOME AND PRICE COMPARISON

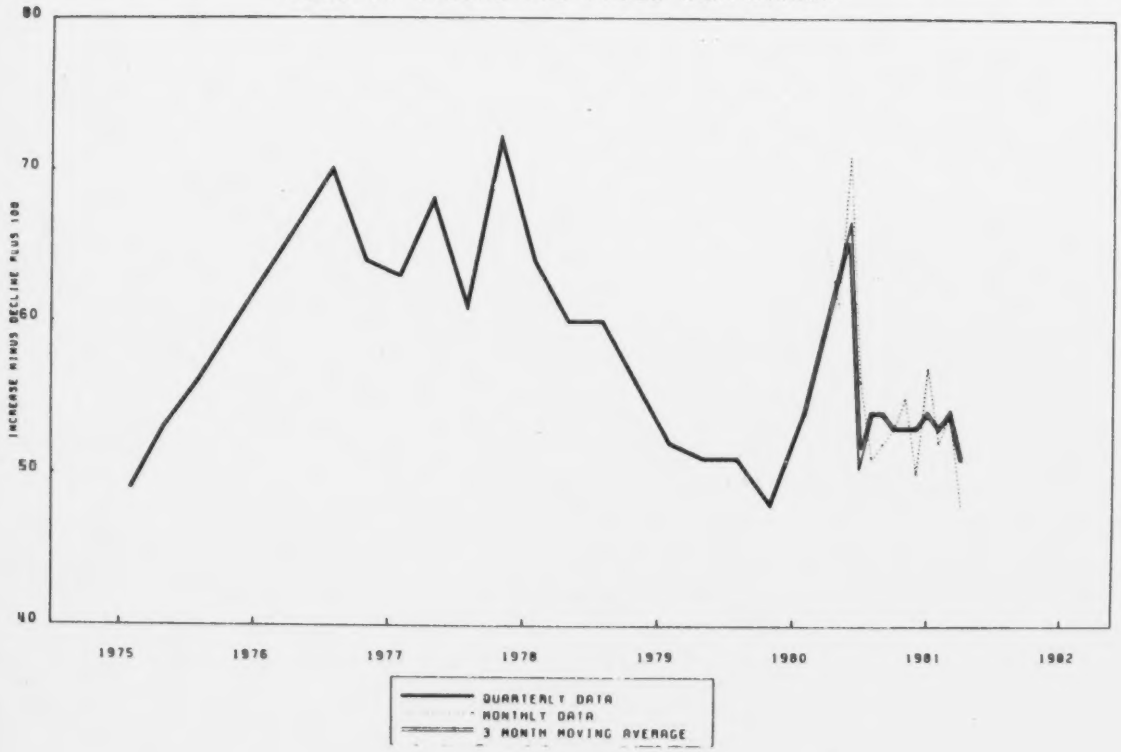

TABLE 11

TREND IN FAMILY INCOME AND PRICES COMPARISONS

	Apr. 1980	May 1980	June 1980	July 1980	Aug. 1980	Sept 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
REAL INCOME PROGRESS:													
Continuous increase (a)	4%	2%	5%	5%	3%	5%	6%	6%	5%	6%	4%	6%	4%
Intermittant increase (b)	8	9	8	9	11	9	6	9	7	8	8	9	7
Remain unchanged (c)	13	11	16	17	17	14	18	17	14	17	18	14	17
Intermittant decline (d)	24	22	26	23	22	23	25	27	24	22	25	26	25
Continuous decline (e)	41	44	35	35	37	39	34	33	38	35	35	35	38
Mixed change (f)	6	6	7	5	6	6	7	5	6	6	5	5	6
DK,NA	4	6	3	6	4	4	4	3	6	6	5	5	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	719	703	688	668	658	682	685	694	684	698	668	703	690

Combination of the responses to the questions on Tables 9 and 10.

Key: (a) Income up more last year/Income up more next year
(b) Income up more/Same or Income up same/More
(c) Income up same/Same
(d) Prices up more/Same or Prices up same/More
(e) Prices up more/More
(f) Income up more/Prices up more or Prices up more/Income up more

CHART 12 - RECENT CHANGES

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

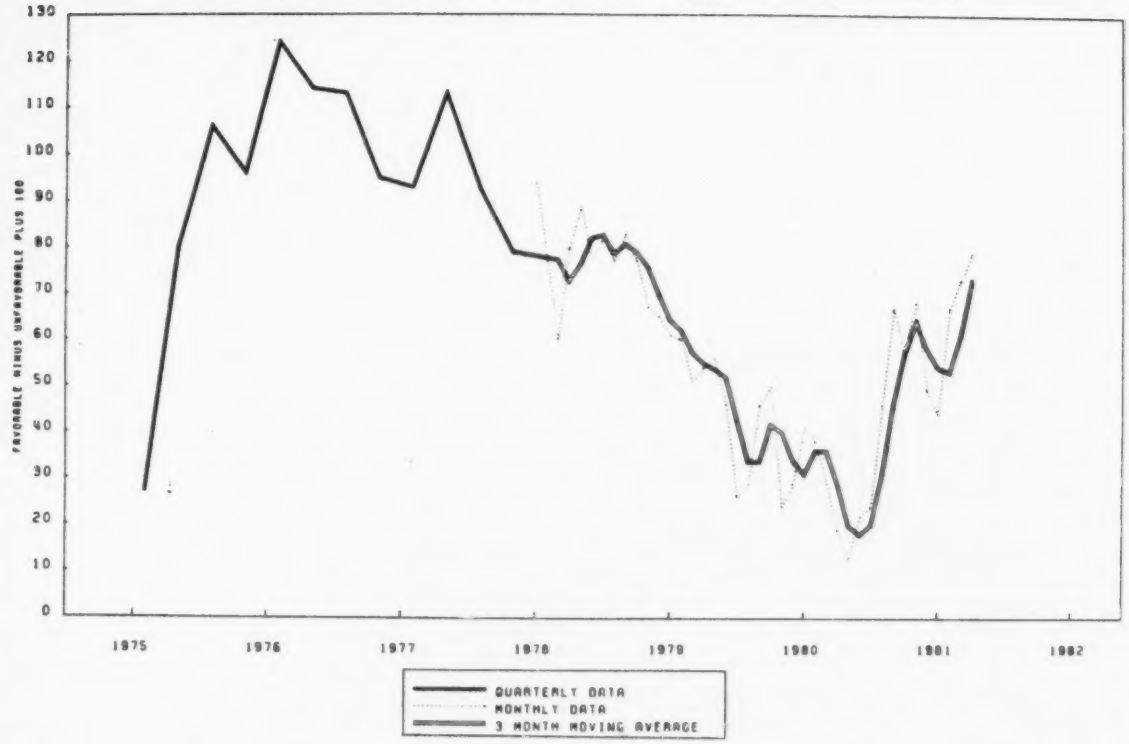

CHART 12 - HISTORICAL SERIES

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

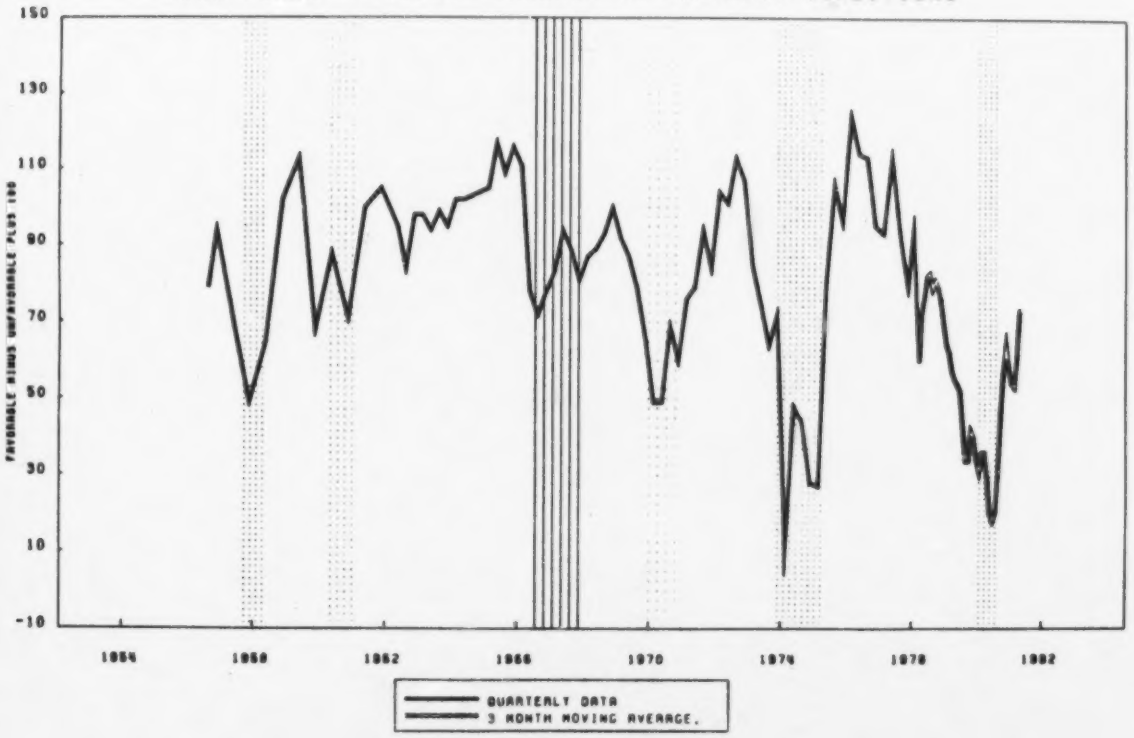

TABLE 12

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	Apr. 1980	May 1980	June 1980	July 1980	Aug. 1980	Sept 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
FAVORABLE NEWS	10%	10%	15%	19%	24%	30%	29%	27%	17%	19%	23%	30%	28%
UNFAVORABLE NEWS	91	97	93	95	78	63	72	58	68	75	56	57	49
NO MENTIONS	35	30	29	30	34	38	33	47	44	39	46	42	47

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

TABLE 13

SELECTED ITEMS OF
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	Apr. 1980	May 1980	June 1980	July 1980	Aug. 1980	Sept 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
FAVORABLE NEWS:													
Government; elections	1%	*	1%	*	1%	2%	1%	7%	4%	4%	9%	9%	6%
Employment	3	1	3	4	7	7	10	7	5	4	5	8	7
Consumer demand high	1	*	1	1	1	3	3	2	1	2	1	1	3
Prices are low	1	1	1	1	*	1	2	1	*	*	1	1	2
Credit is easy	*	5	7	7	8	7	3	1	*	3	3	4	5
UNFAVORABLE NEWS:													
Government; elections	3	4	2	4	3	1	4	3	2	4	5	7	7
Unemployment	21	40	50	43	31	25	26	21	18	19	15	19	19
Consumer demand low	9	10	9	12	12	8	8	8	11	14	9	10	6
Prices are high	17	11	8	12	13	10	10	9	8	11	10	6	6
Credit is tight	24	16	9	5	5	8	12	9	19	14	7	4	4
Energy crisis	1	*	1	1	1	*	1	*	1	1	*	1	*

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 14 - RECENT CHANGES

CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

CHART 14 - HISTORICAL SERIES

CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

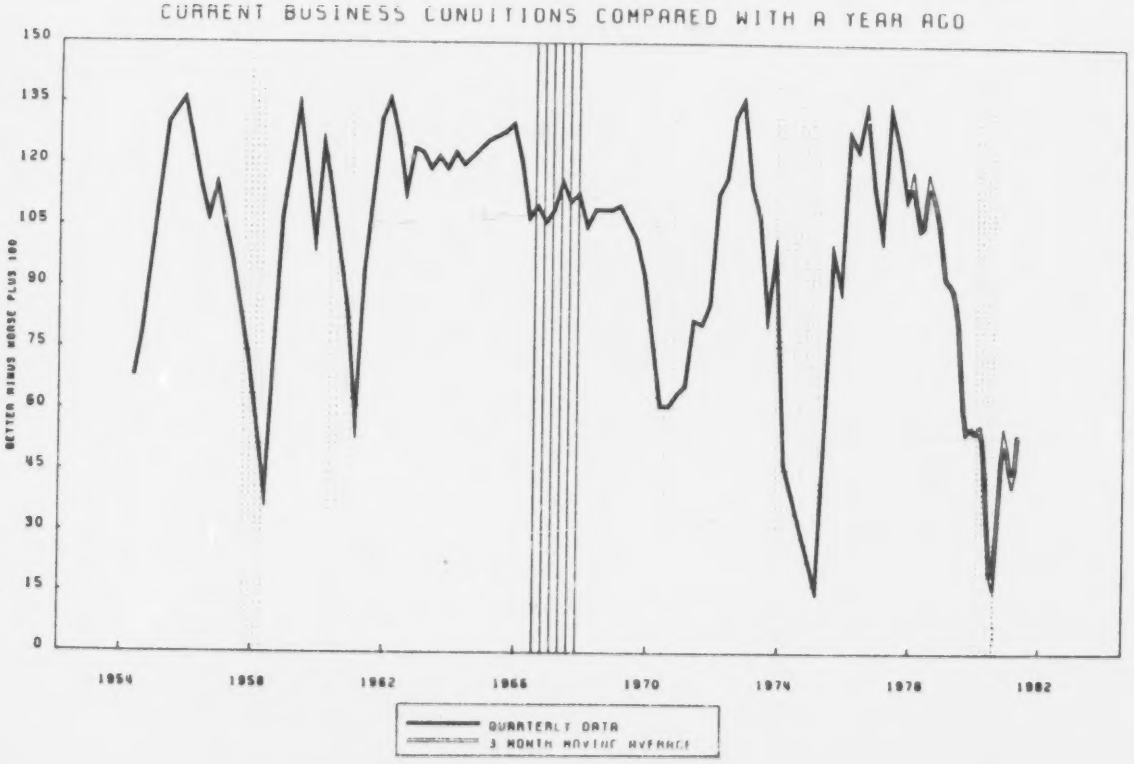

TABLE 14

CURRENT BUSINESS CONDITIONS COMPARED TO A YEAR AGO

	Apr. 1980	May 1980	June 1980	July 1980	Aug. 1980	Sept 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
BETTER NOW	10%	6%	4%	10%	15%	18%	23%	21%	13%	14%	14%	17%	24%
SAME	10	4	5	4	7	10	10	10	12	13	15	14	17
WORSE NOW	79	90	90	85	77	70	64	67	72	71	68	67	57
DK, NA	1	*	1	1	1	2	3	2	3	2	3	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	719	703	688	668	658	682	685	694	684	698	668	703	690

The question was: "Would you say that at the present time business conditions are better or worse than they were a year ago?"

* : Less than half of one percent.

CHART 15 - RECENT CHANGES

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

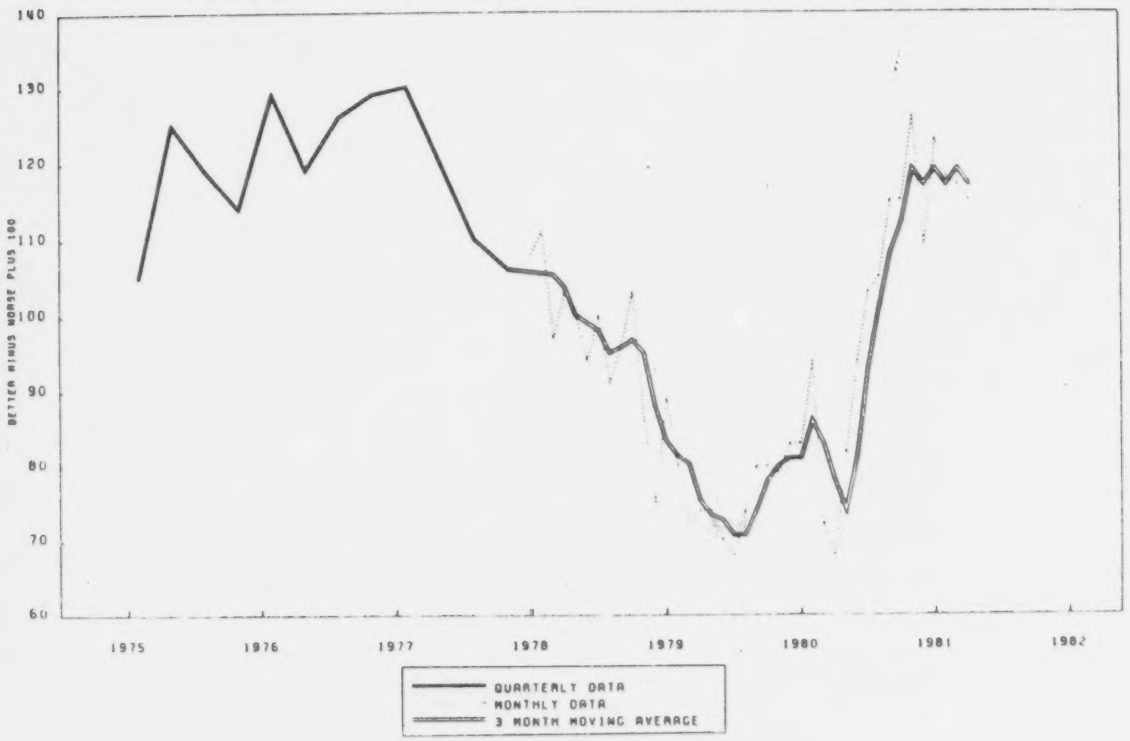

CHART 15 - HISTORICAL SERIES

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

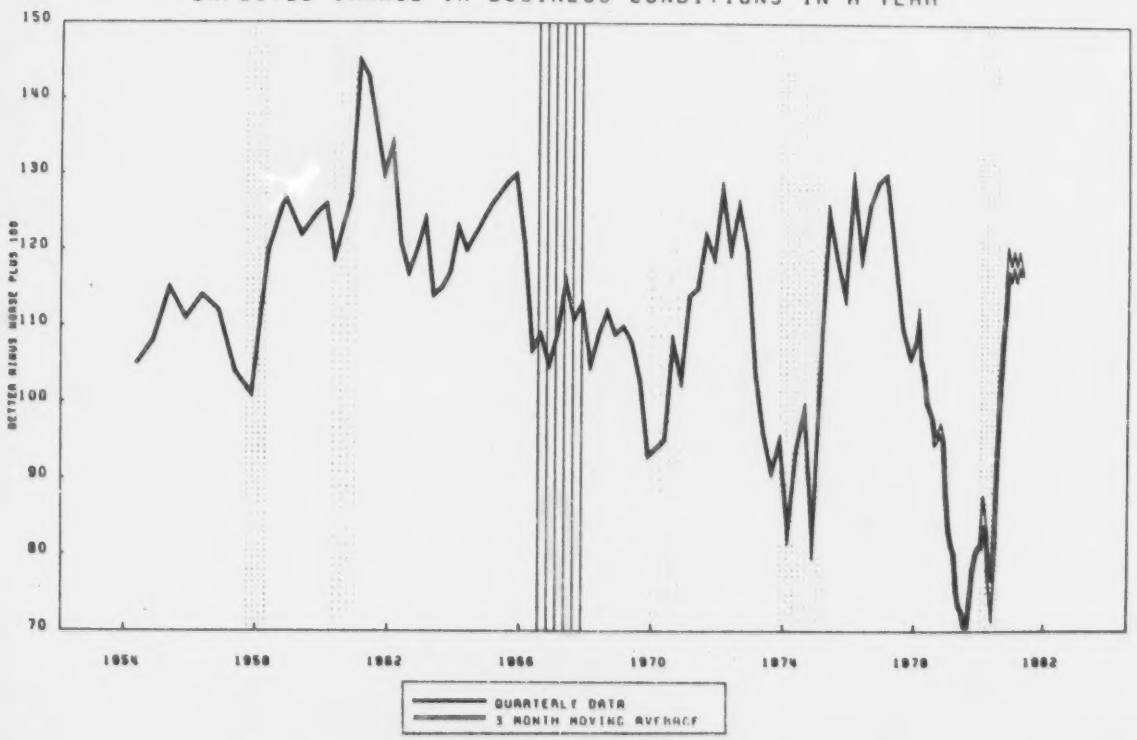

TABLE 15

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

	Apr. 1980	May 1980	June 1980	July 1980	Aug. 1980	Sept 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
BETTER	14%	21%	26%	28%	28%	32%	33%	40%	29%	39%	34%	38%	36%
SAME	37	37	38	43	44	47	44	42	46	42	46	38	41
WORSE	46	39	32	25	23	17	18	14	20	16	16	21	21
DK, NA	3	3	4	4	5	4	5	4	5	3	4	3	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	719	703	688	668	658	682	685	694	684	698	668	703	690

The question was: "And how about a year from now, do you expect that in the country as a whole business conditions will be better, or worse than they are at present, or just about the same?"

TABLE 16

REASONS FOR OPINIONS ABOUT CHANGES IN BUSINESS CONDITIONS IN A YEAR +

	Apr. 1980	May 1980	June 1980	July 1980	Aug. 1980	Sept 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
FAVORABLE REASONS:													
Government; elections	8%	11%	10%	15%	14%	15%	16%	34%	27%	35%	32%	32%	31%
Employment	2	2	3	4	4	5	5	5	3	4	2	4	4
Higher consumer demand	1	3	1	2	3	4	5	3	2	2	3	2	2
Lower prices	3	2	3	1	1	3	3	2	3	2	2	3	2
Easier credit	1	4	5	2	3	3	2	3	2	4	2	2	2
UNFAVORABLE REASONS:													
Government; elections	15	7	7	12	7	7	11	7	8	7	7	9	8
Unemployment	11	14	12	10	7	6	4	5	8	7	6	6	6
Lower consumer demand	6	5	5	6	7	3	2	2	6	5	4	4	5
Higher prices	25	14	10	9	14	10	10	8	10	8	12	8	10
Tighter credit	12	6	4	2	2	2	2	2	7	4	2	2	2
Energy crisis	3	2	1	1	1	1	1	1	*	1	1	1	*

The question was: "Why do you expect business conditions to be better/the same/worse a year from now?" following the question on table 15.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 17 - RECENT CHANGES

TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

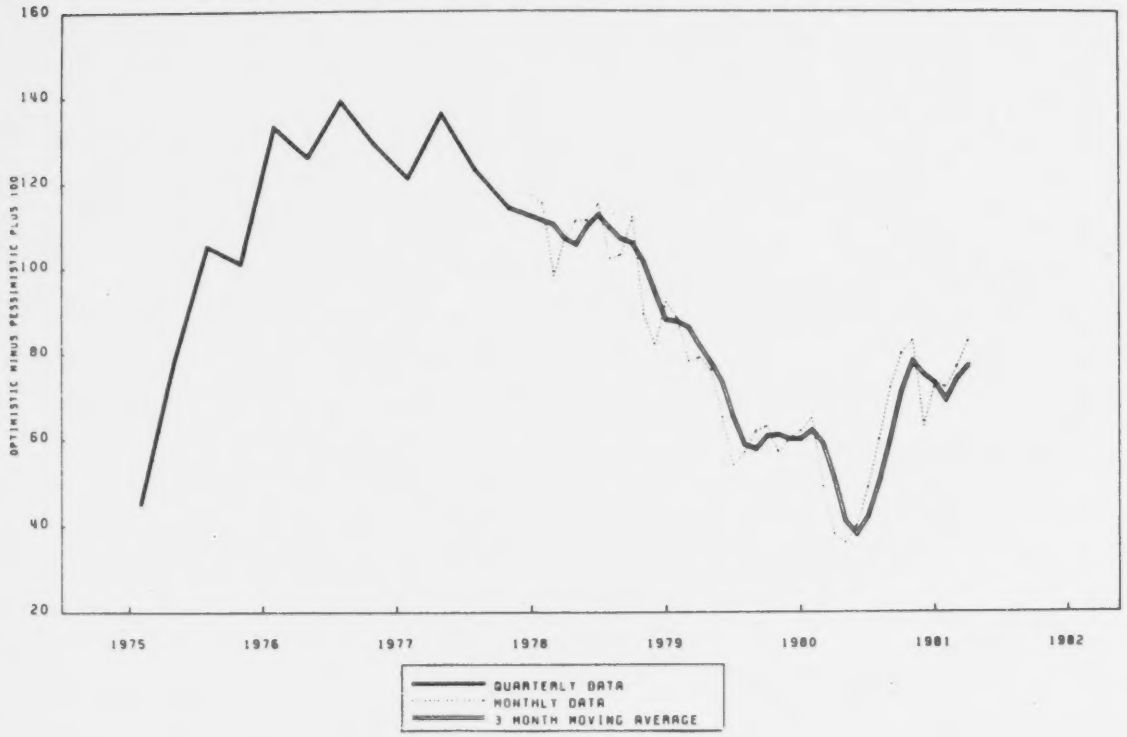

CHART 17 - HISTORICAL SERIES

TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

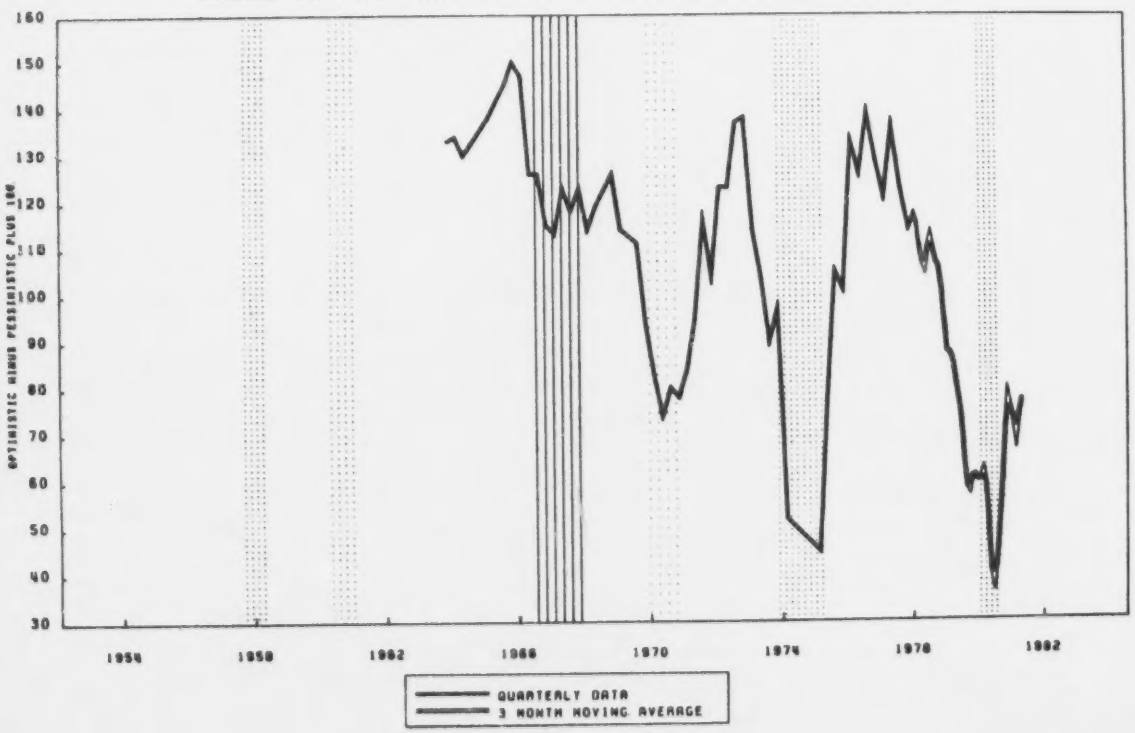

TABLE 17

TREND IN PAST AND EXPECTED CHANGES IN BUSINESS CONDITIONS

	Apr. 1980	May 1980	June 1980	July 1980	Aug. 1980	Sept 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
TREND:													
Continuous increase (a)	4%	1%	1%	2%	5%	9%	9%	11%	5%	6%	7%	9%	15%
Intermittant increase (b)	6	5	4	7	9	10	13	14	10	11	12	12	13
Remain unchanged (c)	3	1	2	1	3	6	5	4	5	7	7	6	8
Intermittant decline (d)	32	34	35	37	35	33	28	29	36	30	33	27	29
Continuous decline (e)	41	36	30	23	19	14	14	13	16	14	14	17	16
Mixed change (f)	10	20	23	26	23	23	23	24	21	27	21	25	16
DK,NA	4	3	5	4	6	5	8	5	7	5	6	4	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	719	703	688	668	658	682	685	694	684	698	668	703	690

Combination of the responses to the questions on Tables 14 and 15.

Key: (a) Better than a year ago/Better a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 18 RECENT CHANGES

BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

CHART 18 - HISTORICAL SERIES

BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

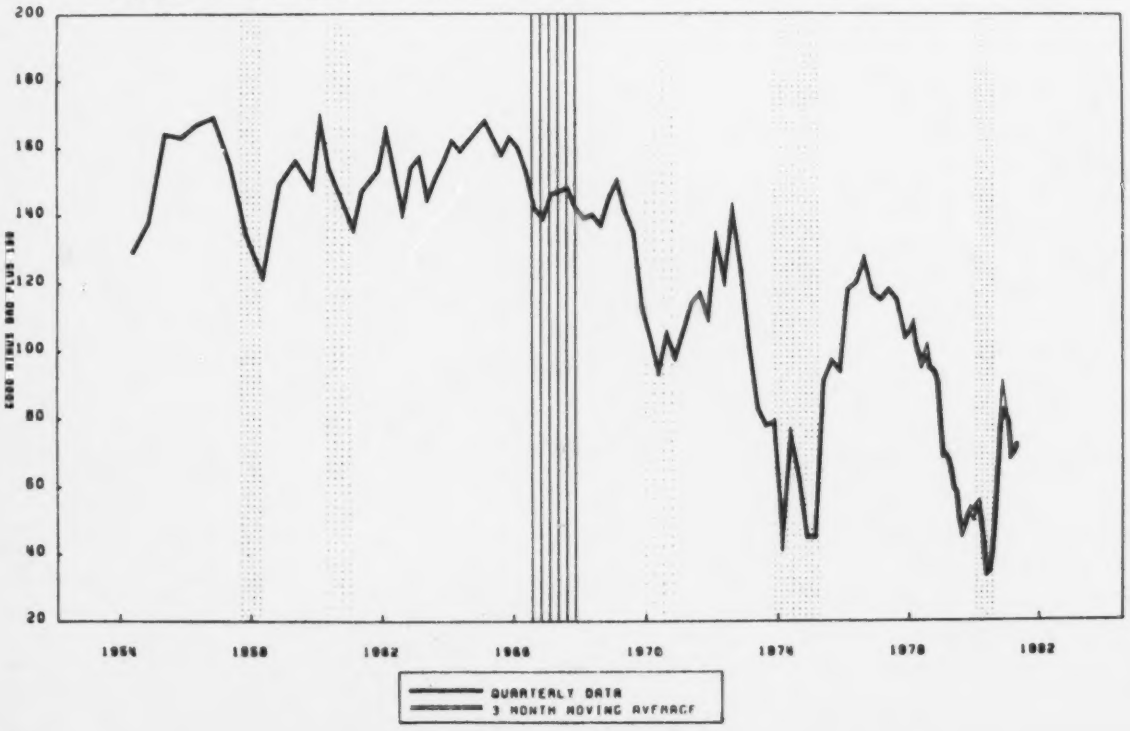

TABLE 18

BUSINESS CONDITIONS EXPECTED DURING THE NEXT 12 MONTHS

	Apr. 1980	May 1980	June 1980	July 1980	Aug. 1980	Sept 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
GOOD TIMES	11%	13%	18%	19%	25%	35%	33%	39%	26%	31%	26%	27%	36%
UNCERTAIN; GOOD & BAD	1	1	1	1	2	2	2	2	1	2	2	3	3
BAD TIMES	79	82	75	74	62	52	49	45	62	53	62	59	53
DON'T KNOW	4	3	4	4	7	7	8	8	7	10	6	6	6
NOT ASCERTAINED	5	1	2	2	4	4	8	6	4	4	4	5	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	719	703	688	668	658	682	685	694	684	698	668	703	690

The question was: "Now turning to business conditions in the country as a whole--do you think that during the next 12 months we'll have good times financially, or bad times or what?"

CHART 19 - RECENT CHANGES

BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

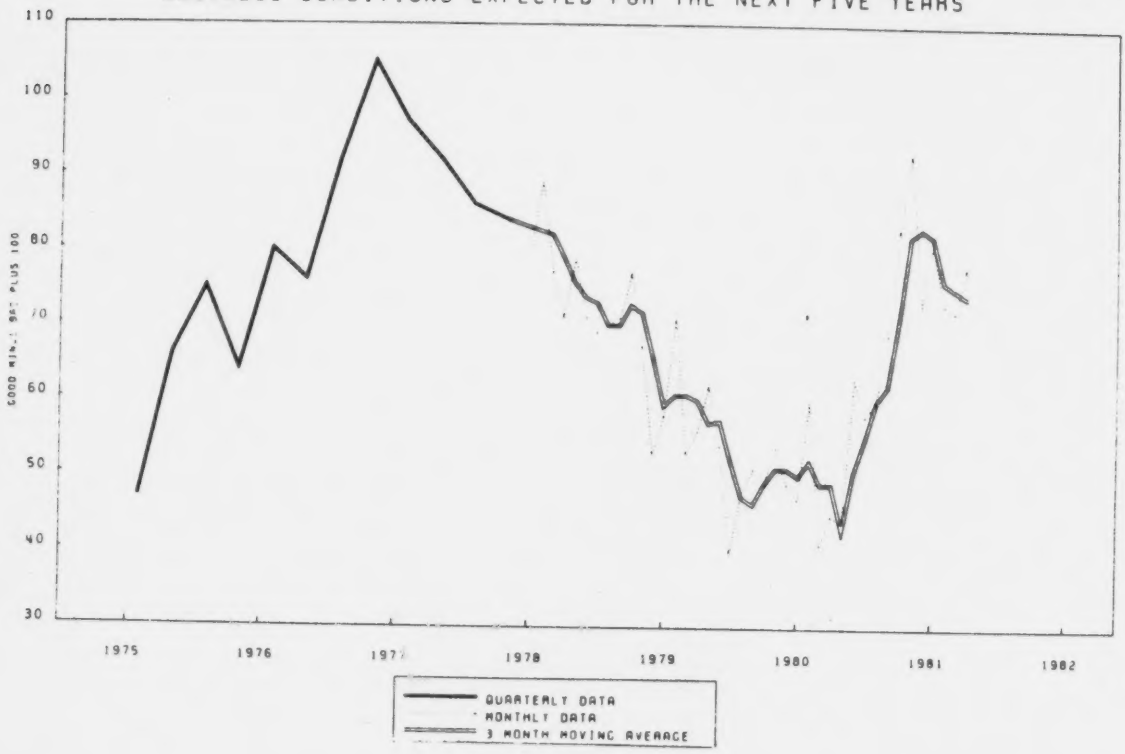

CHART 19 - HISTORICAL SERIES

BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

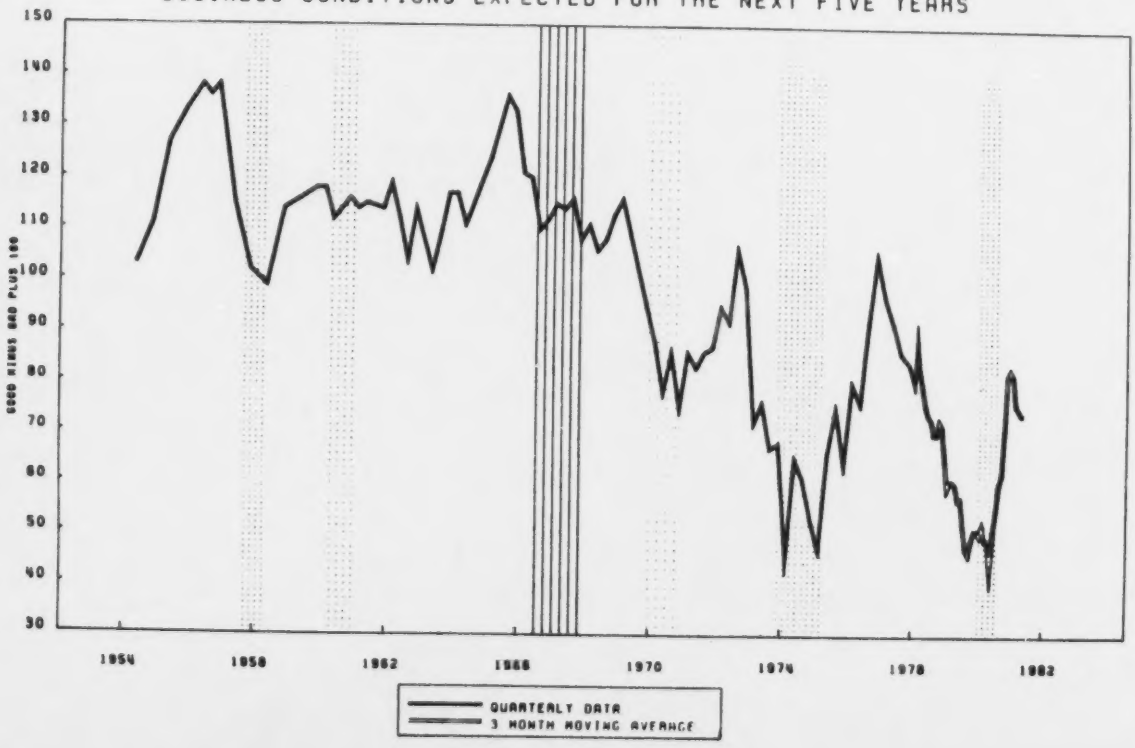

TABLE 19

BUSINESS CONDITIONS EXPECTED DURING THE NEXT FIVE YEARS

	Apr. 1980	May 1980	June 1980	July 1980	Aug. 1980	Sept 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
GOOD TIMES	14%	15%	22%	19%	19%	25%	27%	36%	25%	30%	28%	27%	30%
UNCERTAIN; GOOD & BAD	12	10	12	13	16	14	19	15	16	15	12	14	13
BAD TIMES	69	71	59	61	59	56	44	43	52	49	55	55	52
NOT ASCERTAINED	5	4	7	7	6	5	10	6	7	6	5	4	5
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	719	703	688	668	658	682	685	694	684	698	668	703	690

The question was: "Looking ahead, which would you say is more likely--that in the country as a whole we'll have continuous good times during the next 5 years or so, or that we will have periods of widespread unemployment or depression, or what?"

CHART 20 - RECENT CHANGES
EXPECTED CHANGE IN UNEMPLOYMENT

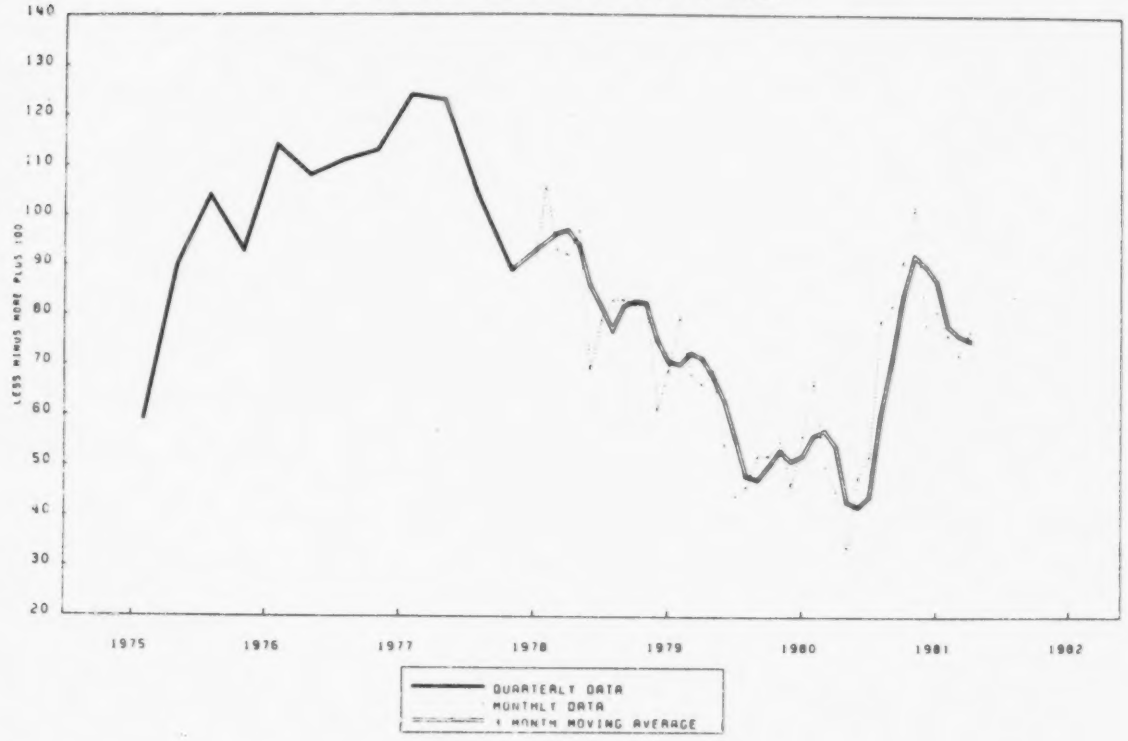

CHART 20 - HISTORICAL SERIES
EXPECTED CHANGE IN UNEMPLOYMENT

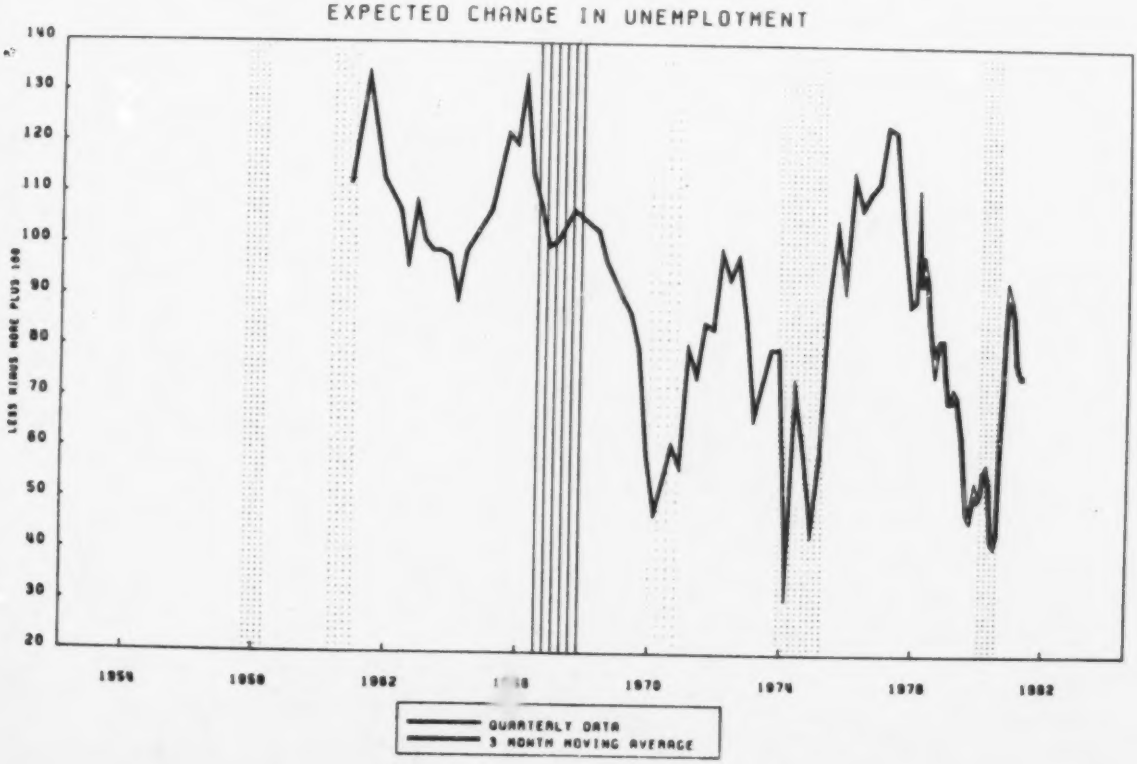

TABLE 20

EXPECTED CHANGE IN UNEMPLOYMENT

	Apr. 1980	May 1980	June 1980	July 1980	Aug. 1980	Sept 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
LESS	7%	5%	11%	11%	19%	22%	21%	26%	17%	19%	16%	13%	17%
SAME	29	23	25	30	38	36	46	47	41	41	42	43	41
MORE	62	72	63	59	40	40	30	24	39	38	40	41	40
DK,NA	2	*	1	*	3	2	3	3	3	2	2	3	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	719	703	688	668	658	682	685	694	684	698	668	703	690

The question was: "How about people out of work during the coming 12 months--do you think that there will be more unemployment than now, about the same, or less?"

* : Less than half of one percent.

CHART 21 - RECENT CHANGES
EXPECTED CHANGE IN INTEREST RATES

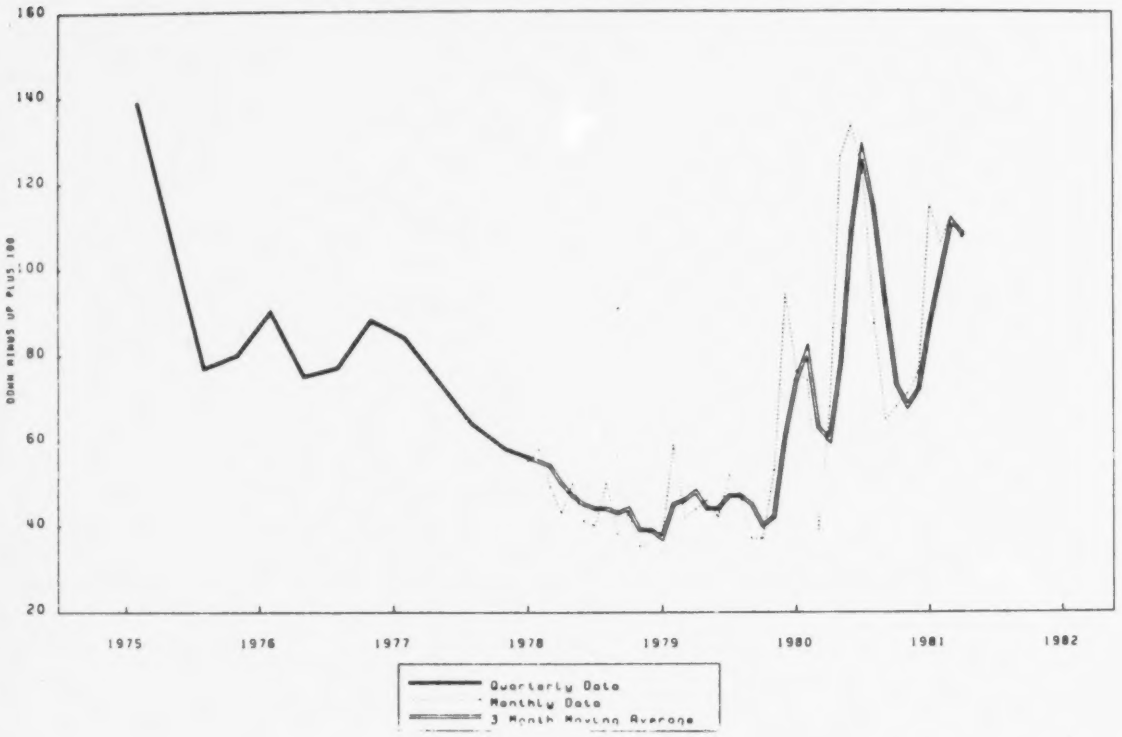

CHART 21 - HISTORICAL SERIES
EXPECTED CHANGE IN INTEREST RATES

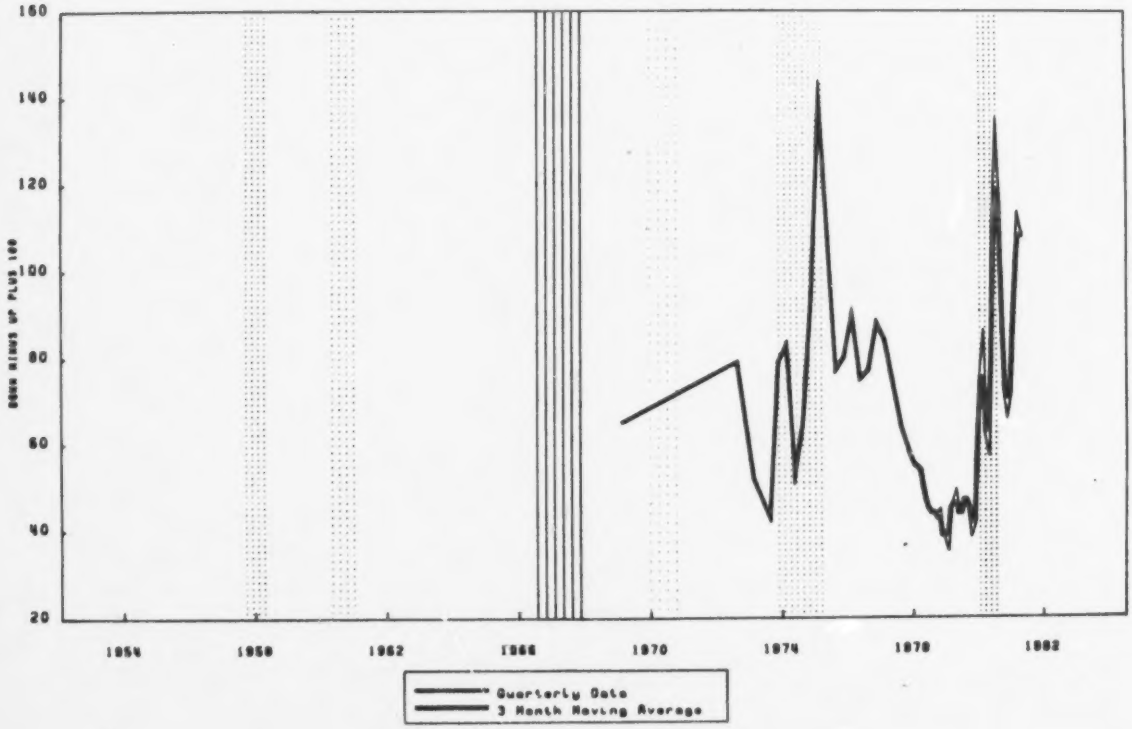

TABLE 21

EXPECTED CHANGE IN INTEREST RATES

	Apr. 1980	May 1980	June 1980	July 1980	Aug. 1980	Sept 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
GO UP	56%	26%	21%	21%	39%	53%	49%	51%	53%	29%	31%	29%	31%
STAY THE SAME	18	20	22	31	30	25	26	22	14	20	24	26	27
GO DOWN	24	52	54	44	26	18	17	22	29	44	37	41	38
DK, NA	2	2	3	4	5	4	8	5	4	7	8	4	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	719	703	688	668	658	682	685	694	684	698	668	703	690

The question was: "No one can say for sure, but what do you think will happen to interest rates for borrowing money during the next 12 months--will they go up, stay the same, or go down?"

CHART 22

CHANGE IN PRICES DURING THE LAST 12 MONTHS

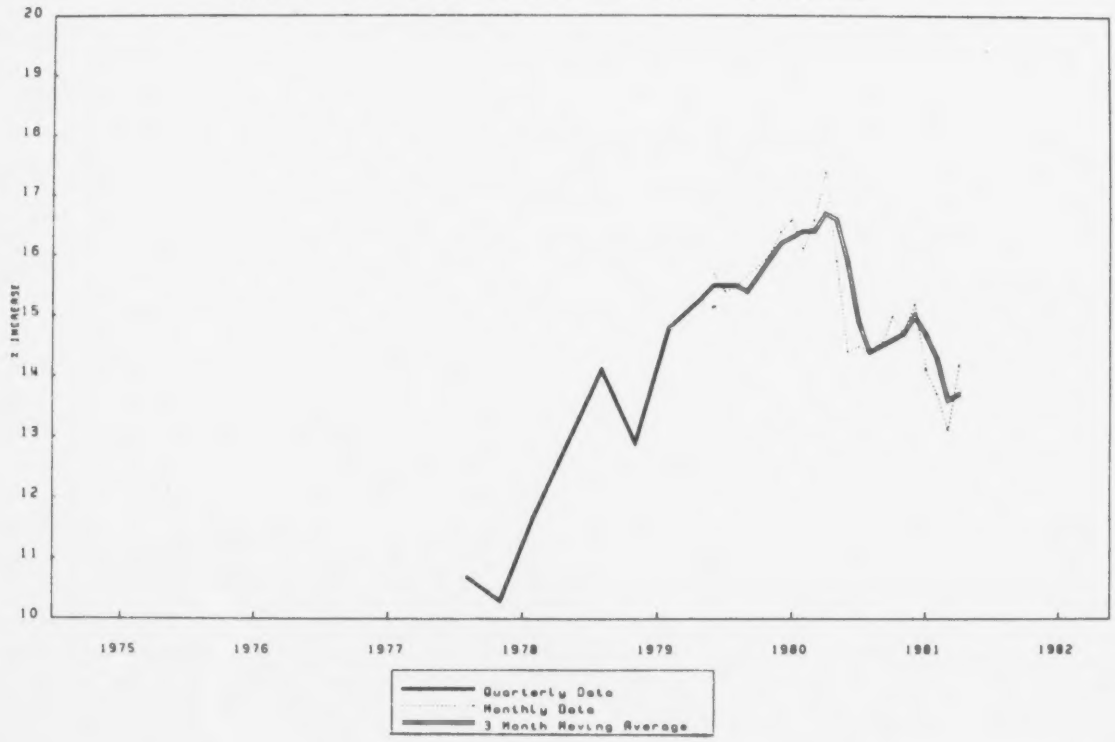

TABLE 22

CHANGE IN PRICES DURING THE LAST 12 MONTHS

	Apr. 1980	May 1980	June 1980	July 1980	Aug. 1980	Sept 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
SAME OR DOWN	2%	5%	6%	4%	4%	4%	2%	3%	2%	3%	2%	4%	4%
GONE UP BY:													
1-2%	2	1	1	3	2	2	3	2	2	2	3	2	4
3-4%	3	4	3	5	6	5	4	4	3	4	4	4	5
5%	5	5	6	7	8	7	11	7	9	7	8	7	6
6-9%	9	6	10	11	12	9	11	12	9	8	8	10	12
10-14%	24	27	25	22	20	24	23	27	26	31	32	29	26
15% or more	43	37	33	29	32	31	32	29	32	28	25	25	30
DK how much up	12	15	15	18	15	17	14	16	16	17	17	18	13
DK, NA	*	*	1	1	1	1	*	*	1	*	1	1	*
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	17.4	15.9	14.4	14.5	14.4	14.5	15.0	14.7	15.2	14.1	13.7	13.1	14.2
VARIANCE	179	175	140	168	160	151	169	161	158	130	128	111	156
CASES	719	703	688	668	658	682	685	694	684	698	668	703	690

The questions were: "During the last 12 months, have prices of the things you buy remained unchanged, or have they gone up, or have they gone down?" and "By about what percent do you think prices have gone up,on the average, during the last 12 months?"

* : Less than half of one percent.

CHART 23 - RECENT CHANGES

MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

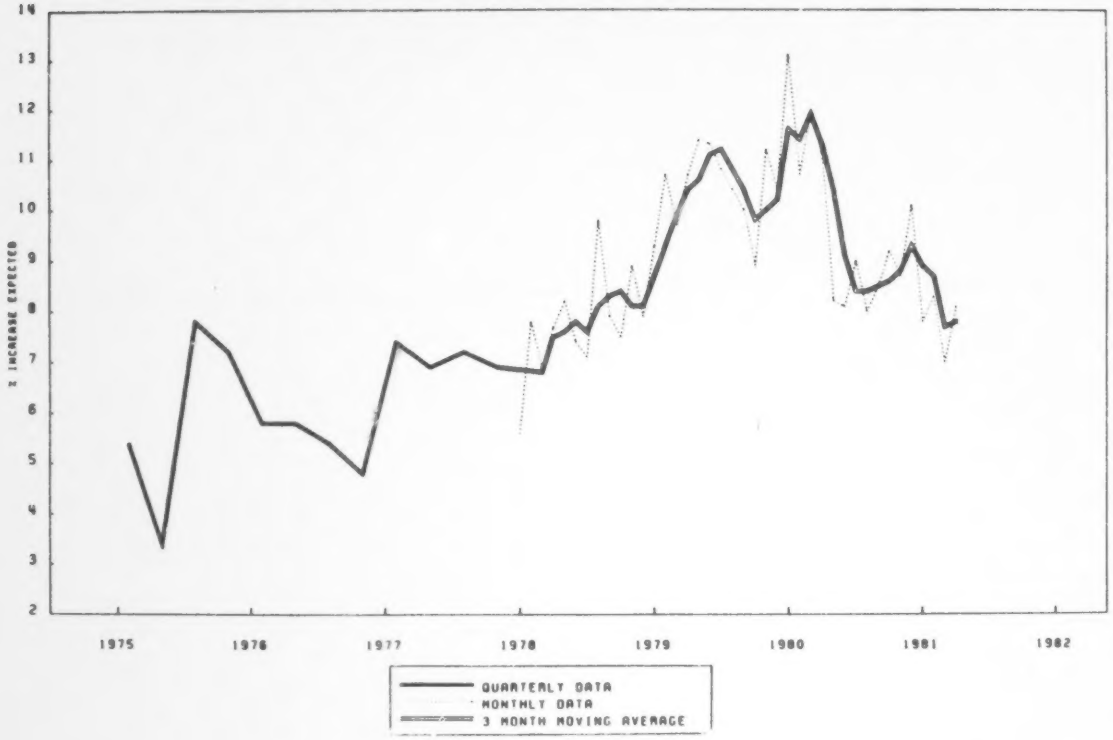

CHART 23 - HISTORICAL SERIES

MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

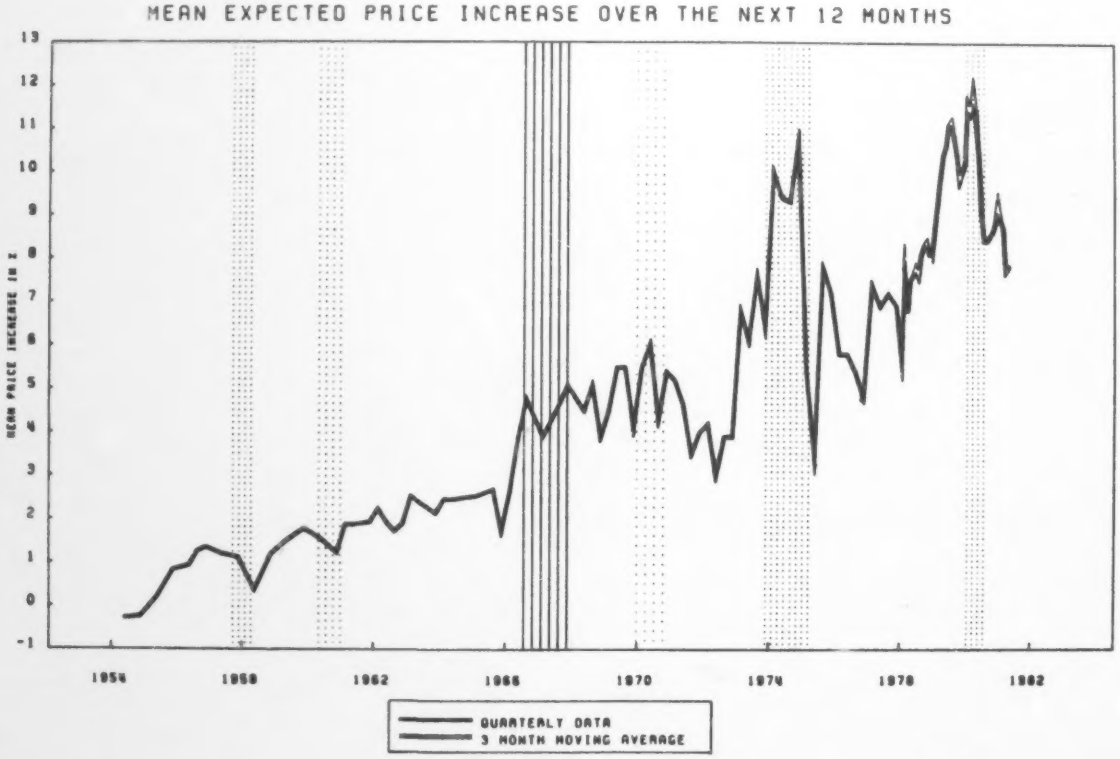

TABLE 23

EXPECTED CHANGE IN PRICES DURING THE NEXT 12 MONTHS

	Apr. 1980	May 1980	June 1980	July 1980	Aug. 1980	Sept 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
SAME OR DOWN	20%	31%	27%	22%	18%	17%	20%	25%	17%	21%	18%	26%	27%
WILL GO UP BY:													
1-2%	2	1	3	3	6	5	3	3	3	3	5	2	4
3-4%	3	4	6	5	7	5	6	5	5	6	9	8	7
5%	7	9	7	8	11	11	10	8	9	7	9	11	9
6-9%	8	9	10	10	12	10	10	12	11	12	12	11	9
10-14%	24	17	20	21	24	23	24	20	25	28	23	20	20
15% or more	25	18	14	15	10	13	16	14	18	9	12	9	14
DK how much up	9	10	10	13	11	13	9	11	10	11	10	11	8
DK, NA	2	1	3	3	1	3	2	2	2	3	2	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	11.1	8.2	8.1	9.0	8.0	8.5	9.2	8.7	10.1	7.8	8.3	7.0	8.1
VARIANCE	125	92	89	95	71	68	100	102	107	54	74	57	97
CASES	719	703	688	668	658	682	685	694	684	698	668	703	690

The questions were: "During the next 12 months, do you think that prices in general will go up, or go down, or stay where they are now?" and "By about what percent do you expect prices to go up, on the average, during the next 12 months?"

CHART 24 - RECENT CHANGES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

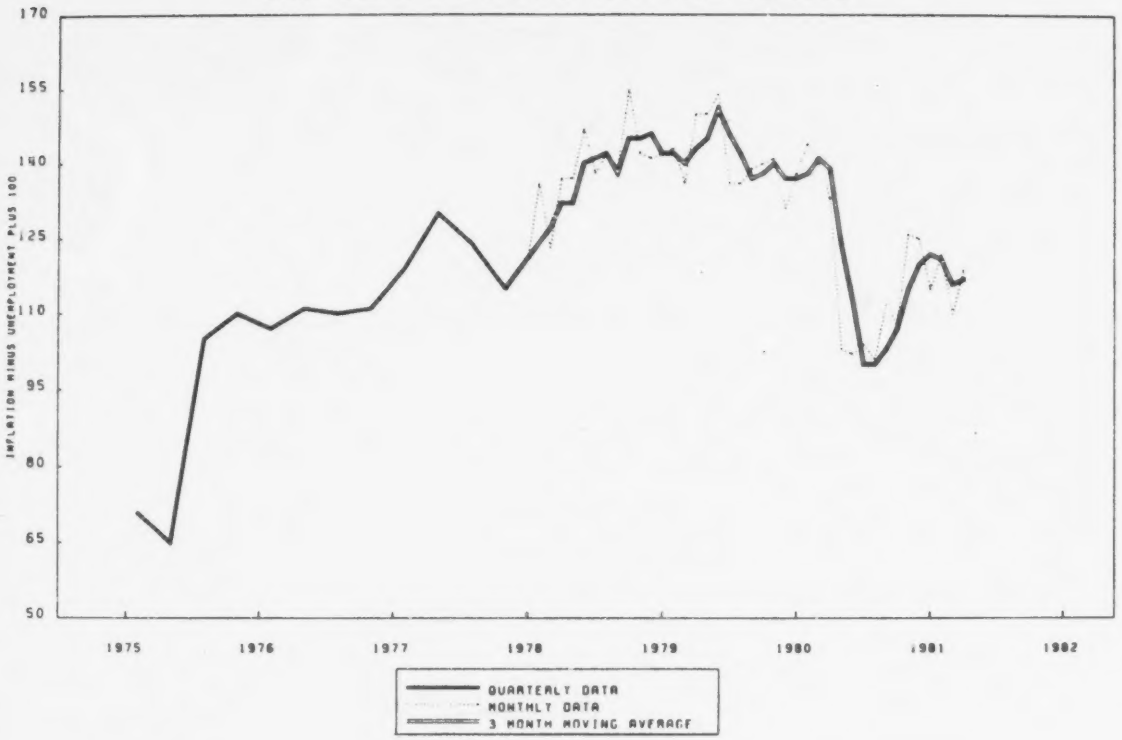

CHART 24 - HISTORICAL SERIES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

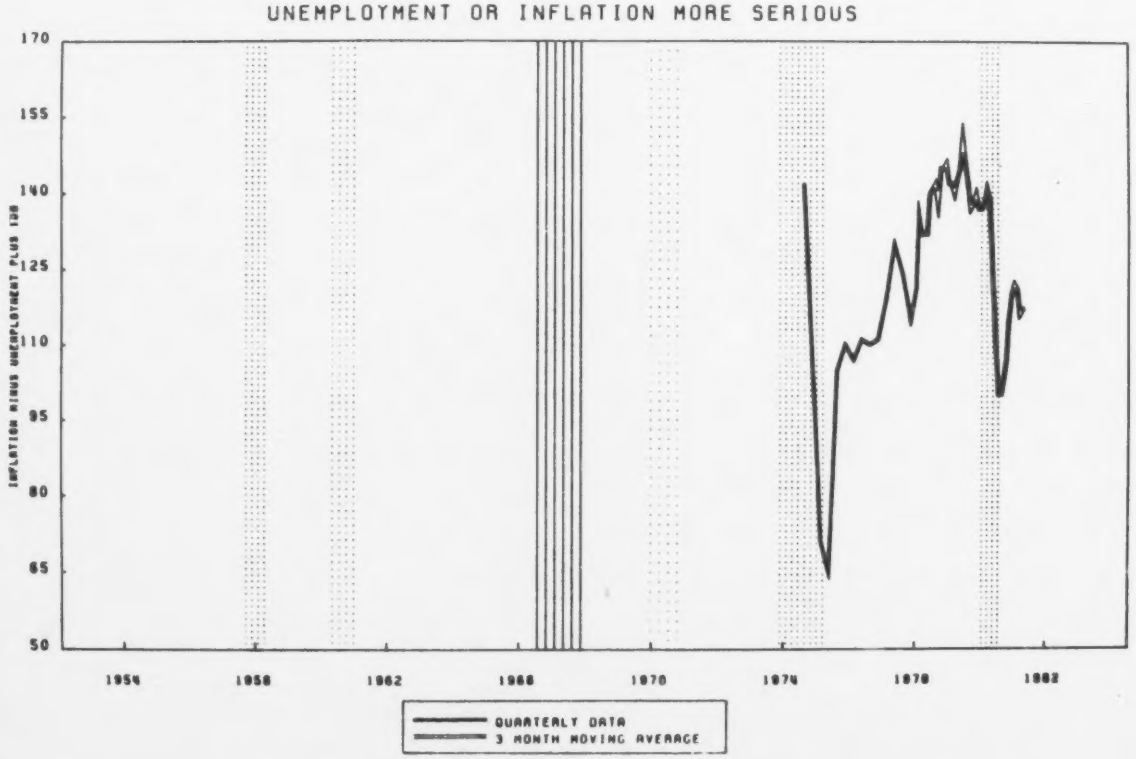

TABLE 24

UNEMPLOYMENT OR INFLATION MORE SERIOUS ECONOMIC HARDSHIP

	Apr. 1980	May 1980	June 1980	July 1980	Aug. 1980	Sept 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
UNEMPLOYMENT	26%	40%	43%	45%	43%	38%	40%	31%	32%	34%	34%	39%	35%
BOTH EQUALLY SERIOUS	14	16	11	11	10	9	11	11	9	14	8	11	8
INFLATION	59	43	45	41	44	50	48	57	57	49	56	49	54
DK, NA	1	1	1	3	3	3	1	1	2	3	2	1	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	719	703	688	668	658	682	685	694	684	698	668	703	690

The question was: "Which of the two problems--unemployment or inflation--do you think will cause the more serious economic hardship for people during the next year or so?"

CHART 25 - RECENT CHANGES

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

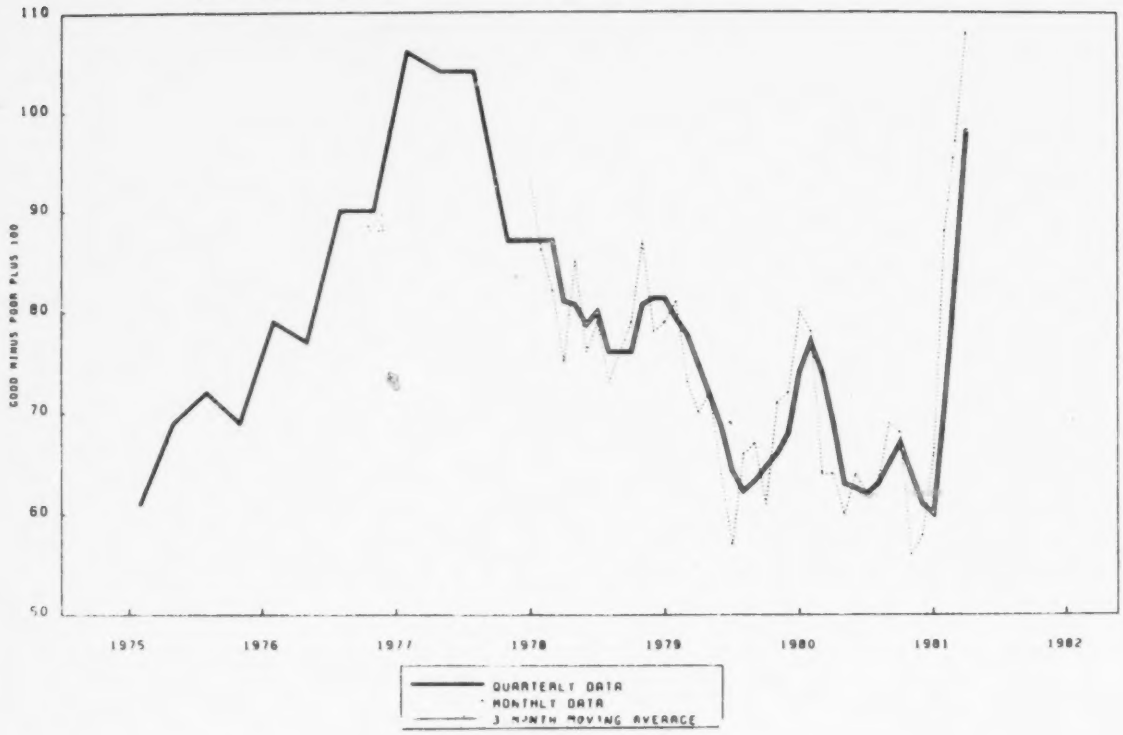

CHART 25 - HISTORICAL SERIES

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

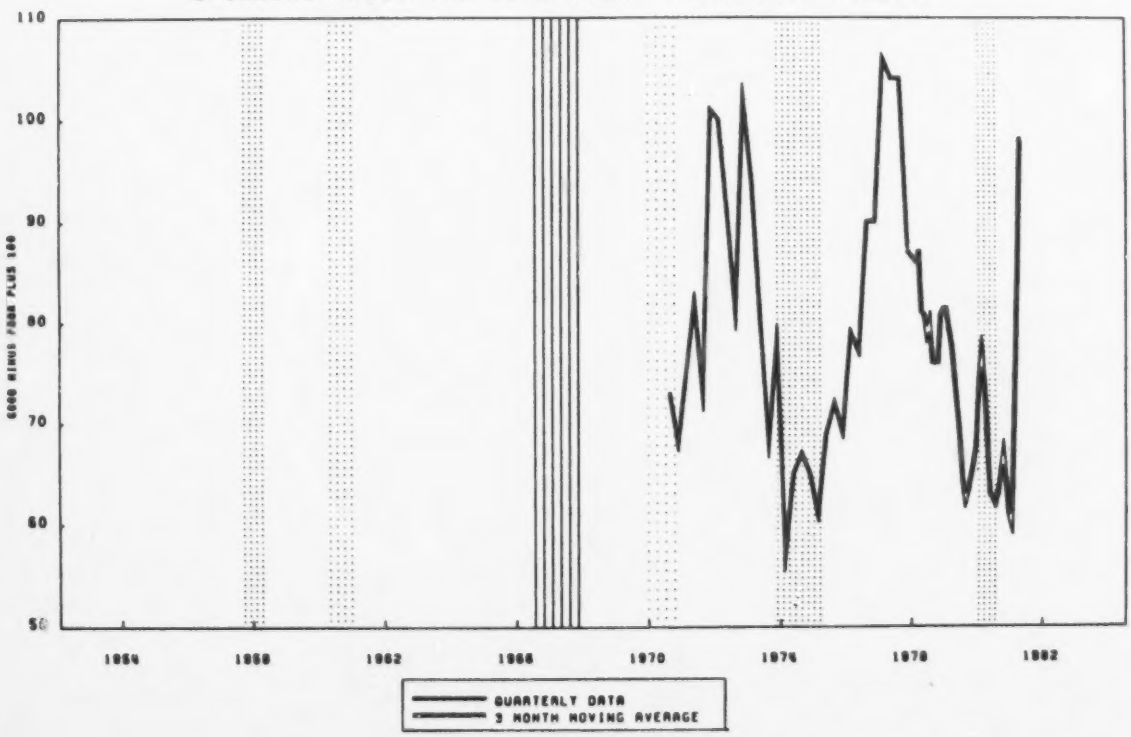

TABLE 25

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

	Apr. 1980	May 1980	June 1980	July 1980	Aug. 1980	Sept 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
A GOOD JOB	6%	5%	10%	9%	8%	10%	8%	6%	7%	10%	19%	22%	28%
ONLY FAIR	48	48	40	41	45	46	50	41	42	42	40	45	47
A POOR JOB	42	45	46	47	45	41	40	50	49	44	31	25	20
DK,NA	4	2	4	3	2	3	2	3	2	4	10	8	5
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	719	703	688	668	658	682	685	694	684	698	668	703	690

The question was: "As to the economic policy of the government--I mean steps taken to fight inflation or unemployment--would you say the government is doing a good job, only fair, or a poor job?"

CHART 26 - RECENT CHANGES

BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

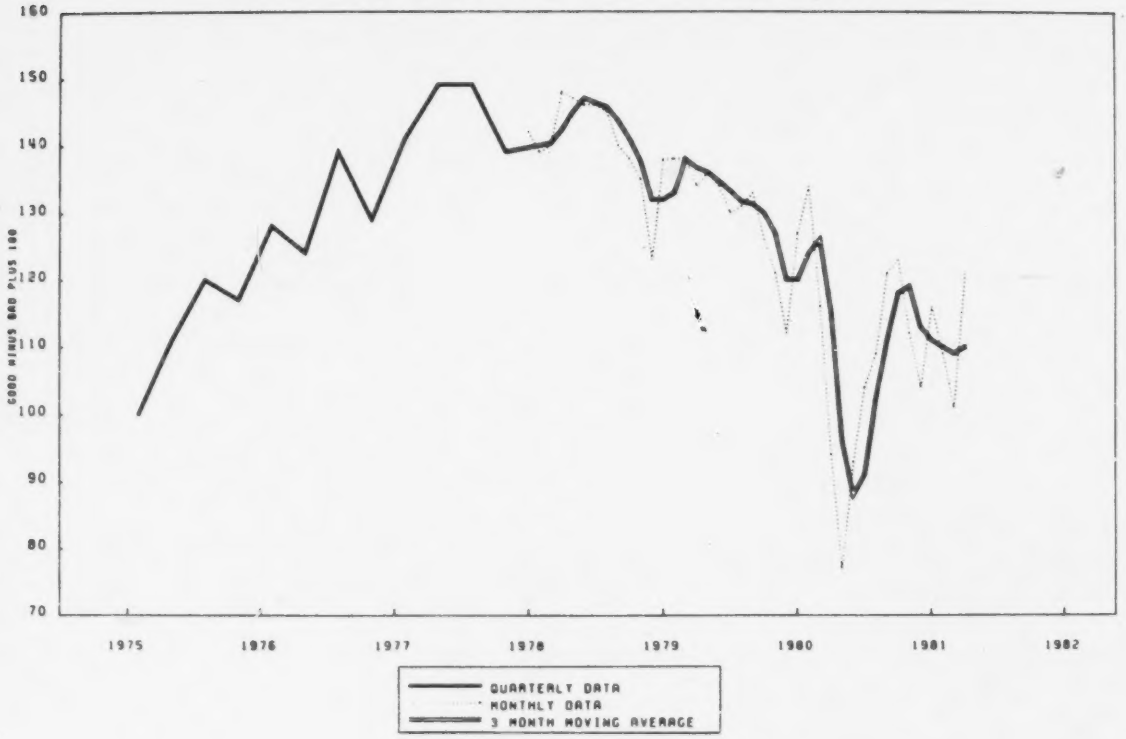

CHART 26 - HISTORICAL SERIES

BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

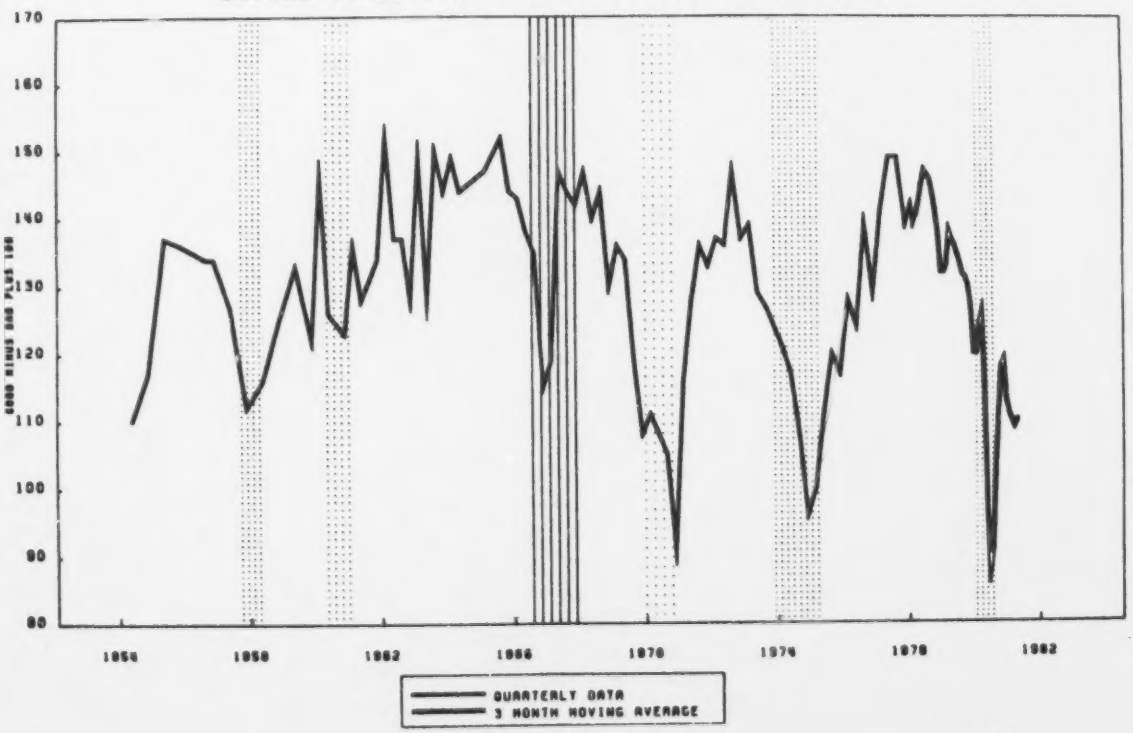

TABLE 26

BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

	Apr. 1980	May 1980	June 1980	July 1980	Aug. 1980	Sept 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
GOOD TIME TO BUY	41%	35%	41%	44%	47%	52%	55%	50%	45%	50%	47%	43%	54%
UNCERTAIN, DEPENDS	12	7	11	16	15	17	13	12	14	16	15	15	13
BAD TIME TO BUY	47	58	48	40	38	31	32	38	41	34	38	42	33
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	719	703	688	668	658	682	685	694	684	698	668	703	690

The question was: "About the big things people buy for their homes--such as furniture, a refrigerator, stove, television, and things like that. Generally speaking, do you think now is a good or a bad time for people to buy major household items?"

TABLE 27

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS +

	Apr. 1980	May 1980	June 1980	July 1980	Aug. 1980	Sept 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
GOOD TIME TO BUY:													
Prices are low; good buys available	9%	14%	16%	19%	17%	18%	20%	20%	17%	23%	23%	22%	21%
Prices won't come down; are going higher	28	23	26	22	27	31	30	31	24	28	24	23	31
Interest rates low; credit is easy	3	2	3	5	5	3	4	2	3	2	3	1	2
BAD TIME TO BUY:													
Prices are high	30	34	29	23	23	20	16	23	26	17	24	23	19
Interest rates are high; credit is tight	28	31	24	19	16	13	17	17	22	25	26	22	17
Lack of purchasing power	14	16	15	20	14	12	11	11	11	11	13	16	12

Responses to the query: "Why do you say so?" following the question on Table 26.

+ : May add to more than 100% due to multiple mentions.

CHART 28 - RECENT CHANGES
BUYING CONDITIONS FOR HOUSES

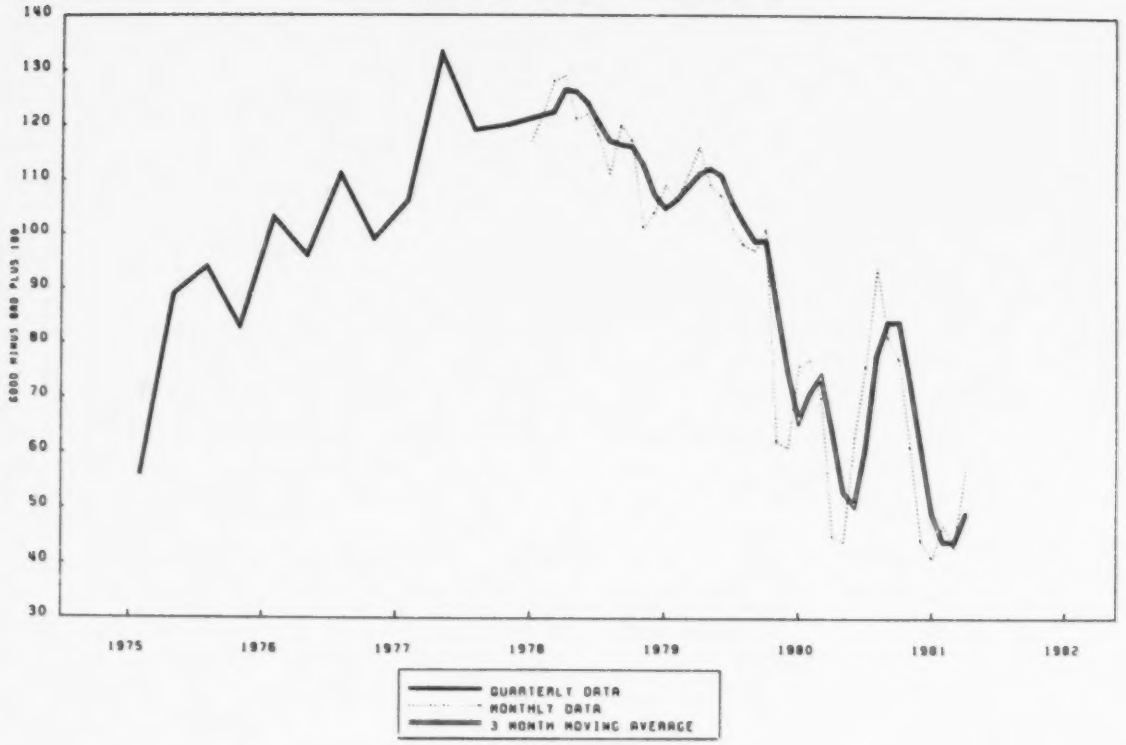

CHART 28 - HISTORICAL SERIES
BUYING CONDITIONS FOR HOUSES

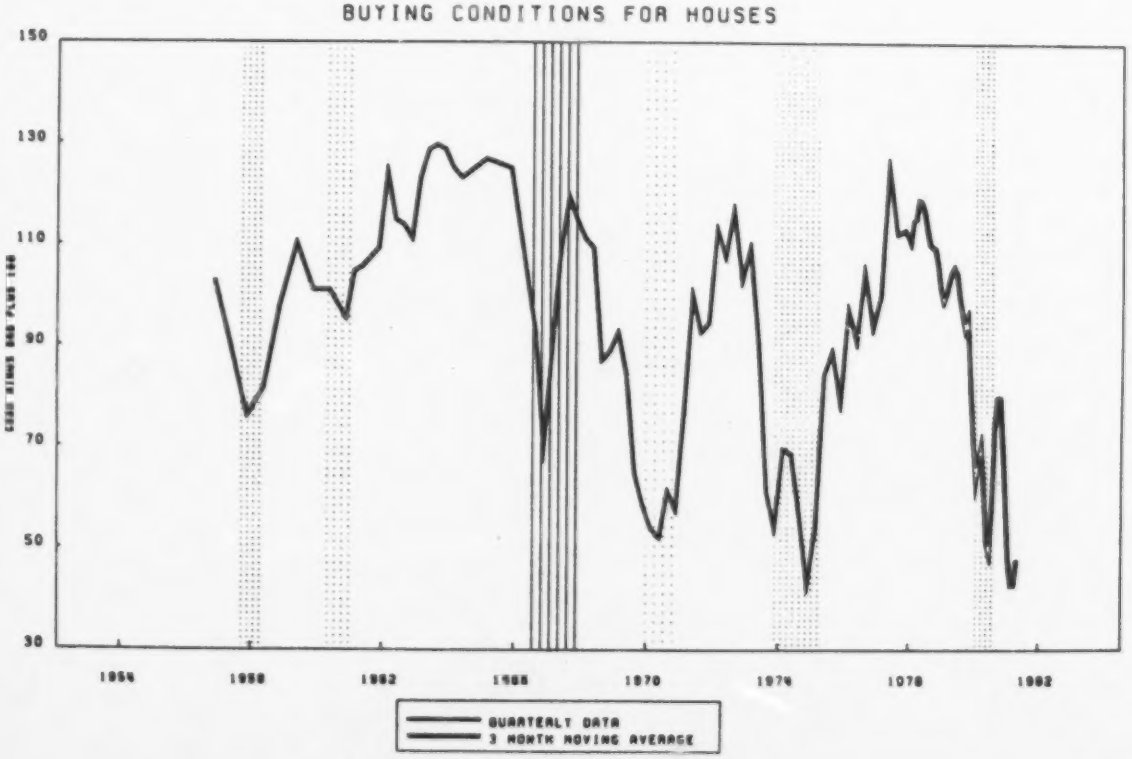

TABLE 28

BUYING CONDITIONS FOR HOUSES

	Apr. 1980	May 1980	June 1980	July 1980	Aug. 1980	Sept 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
GOOD TIME TO BUY	19%	18%	29%	34%	44%	38%	36%	28%	19%	18%	21%	20%	26%
UNCERTAIN, DEPENDS	7	8	5	8	6	5	5	5	6	5	5	3	5
BAD TIME TO BUY	74	74	66	58	50	57	59	67	75	77	74	77	69
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	719	703	688	668	658	682	685	694	684	698	668	703	690

The question was: "Generally speaking, do you think now is a good time or a bad time to buy a house?"

TABLE 29

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES +

	Apr. 1980	May 1980	June 1980	July 1980	Aug. 1980	Sept 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
GOOD TIME TO BUY:													
Prices are low; good buys available	4%	3%	6%	9%	9%	7%	4%	4%	4%	3%	5%	4%	5%
Prices won't come down; are going higher	8	8	11	12	14	17	17	16	10	12	10	9	12
Interest rates low; credit is easy	3	6	16	23	28	22	16	10	6	4	7	5	9
Good investment	9	7	5	6	10	9	8	7	6	7	10	7	8
BAD TIME TO BUY:													
Prices are high	31	30	27	30	26	29	27	28	28	32	31	32	30
Interest rates are high; credit is tight	76	75	66	53	41	50	56	66	77	76	73	76	66
Lack of purchasing power	8	9	10	15	12	11	12	11	12	10	14	13	12

Responses to the query: "Why do you say so?" following the question on Table 28.

+ : May add to more than 100% due to multiple mentions.

CHART 30 - RECENT CHANGES
BUYING CONDITIONS FOR CARS

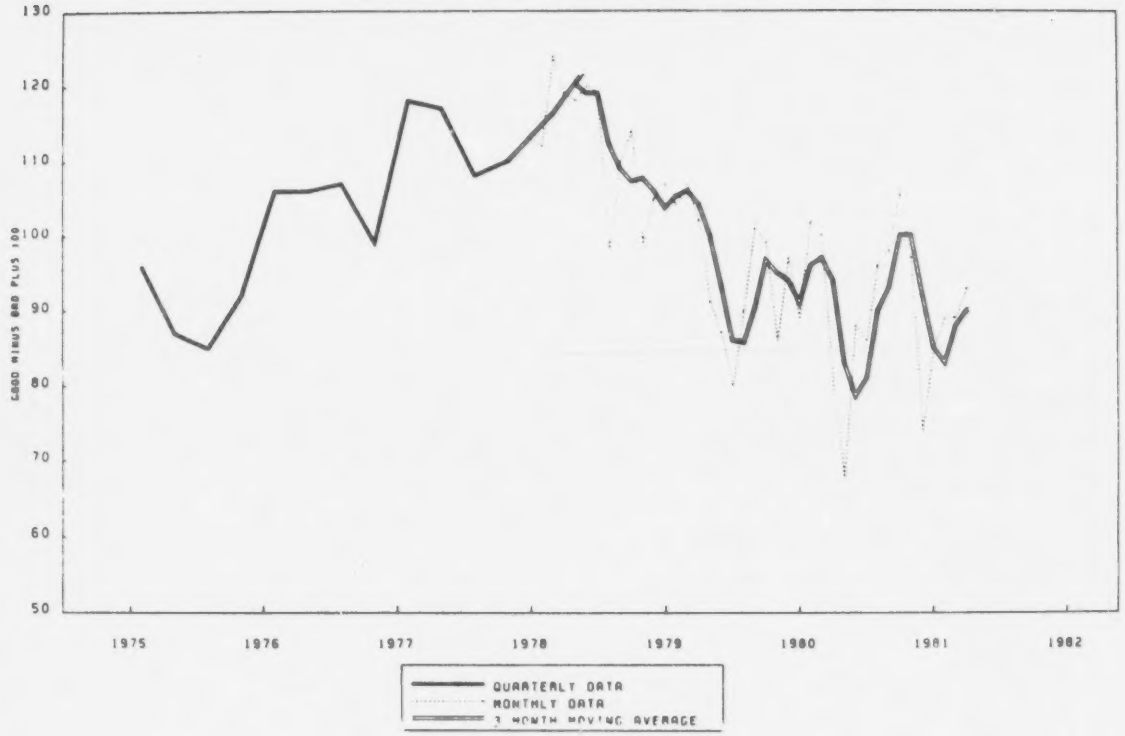

CHART 30 - HISTORICAL SERIES
BUYING CONDITIONS FOR CARS

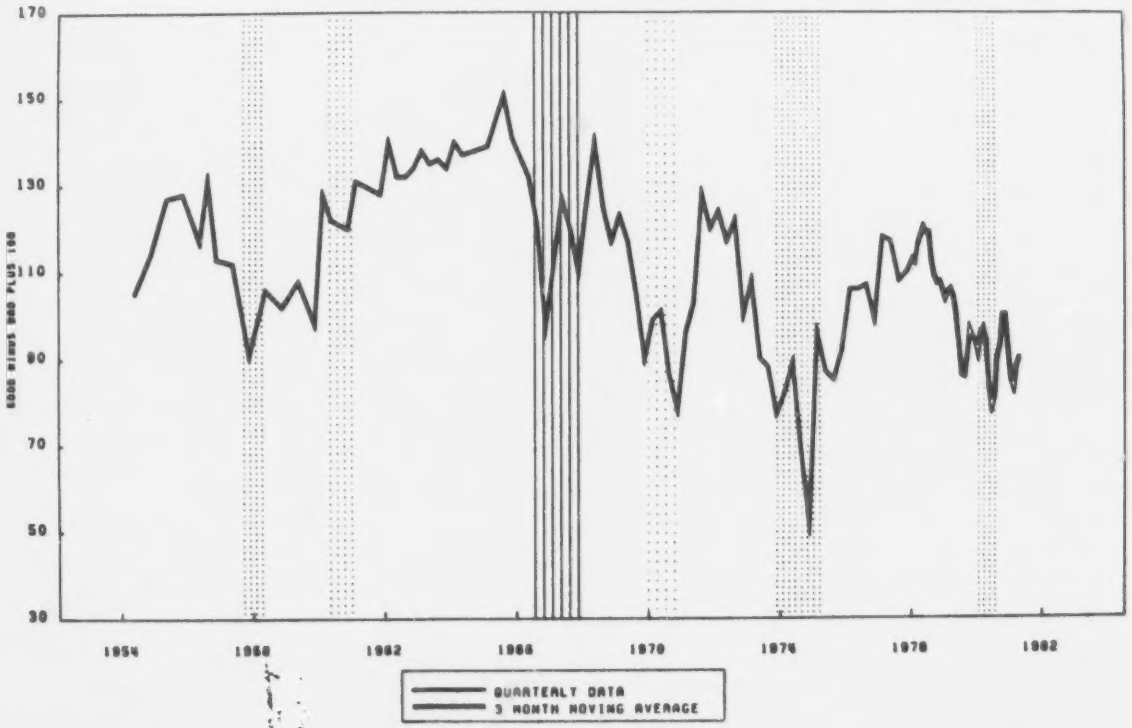

TABLE 30

BUYING CONDITIONS FOR CARS

	Apr. 1980	May 1980	June 1980	July 1980	Aug. 1980	Sept 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
GOOD TIME TO BUY	35%	29%	37%	36%	42%	42%	45%	41%	33%	36%	39%	39%	42%
UNCERTAIN; DEPENDS	10	10	14	14	12	14	16	15	8	13	11	11	9
BAD TIME TO BUY	55	61	49	50	46	44	39	44	59	51	50	50	49
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	719	703	688	668	658	682	685	694	684	698	668	703	690

The question was: "Speaking now of the automobile market--do you think the next 12 months or so will be a good time or a bad time to buy a car?"

TABLE 31

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS +

	Apr. 1980	May 1980	June 1980	July 1980	Aug. 1980	Sept 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
GOOD TIME TO BUY:													
Prices are low; good buys available	15%	25%	27%	25%	24%	20%	17%	17%	13%	18%	22%	30%	25%
Prices won't come down; are going higher	10	8	9	13	12	19	17	16	12	13	12	10	19
Interest rates low; credit is easy	4	1	3	4	4	4	3	3	4	5	3	2	3
New fuel efficient models	12	6	5	3	7	9	12	7	5	4	4	6	4
BAD TIME TO BUY:													
Prices are high	32	30	24	27	27	31	23	28	31	33	31	34	31
Interest rates are high; credit is tight	24	29	22	11	11	10	14	17	29	28	27	21	22
Lack of purchasing power	6	7	6	9	9	6	8	7	9	7	7	10	8
Price of gas; shortages	16	15	9	6	5	5	4	4	5	4	8	6	5
Poor selection; quality	8	7	10	13	13	11	13	10	12	9	9	9	8

Responses to the query: "Why do you say so?" following the question on Table 30.

+ : May add to more than 100% due to multiple mentions.

TABLE 32

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

	Apr. 1980	May 1980	June 1980	July 1980	Aug. 1980	Sept 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
PROBABLY WILL BUY	16%	13%	12%	17%	16%	16%	15%	17%	14%	15%	16%	14%	15%
CHANCES ARE EVEN	7	7	8	5	7	6	7	6	6	8	7	6	8
PROBABLY WILL NOT BUY	69	67	68	67	61	70	67	66	67	66	62	67	65
DK, NA	8	13	12	11	16	8	11	11	13	11	15	13	12
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	719	703	688	668	658	682	685	694	684	698	668	703	690

The question was: "What do you think are the chances that you (or anyone else in your family living there) will buy or lease a car during the next 12 months--would you say you probably will, probably will not, or are the chances about even, or what?"

TABLE 33

CURRENT VEHICLE PURCHASE INTENTIONS

	Apr. 1980	May 1980	June 1980	July 1980	Aug. 1980	Sept 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
PROPORTION WITH CURRENT PURCHASE INTENTIONS:	23%	20%	20%	22%	23%	22%	22%	23%	20%	23%	23%	20%	23%
PURCHASE TYPE:													
Buy new	11	7	9	10	8	11	12	11	8	11	10	9	11
Buy used	9	9	7	11	12	9	7	9	9	8	10	9	10
Lease	2	1	1	1	1	1	2	*	1	1	1	1	1
DK,NA	1	3	3	*	2	1	1	3	2	3	2	1	1
PURCHASE TIMING:													
Next 3 months	4	2	1	5	3	1	3	4	2	3	1	1	5
Next 4-6 months	6	6	6	5	5	6	4	3	3	5	6	4	8
Next 7-9 months	6	5	5	3	4	2	7	6	5	6	7	5	5
10 months or more	2	3	5	4	4	4	4	4	5	4	3	5	2
DK,NA	5	4	3	5	7	9	4	6	5	5	6	5	3

If response was "PROBABLY WILL BUY" or "CHANCES ARE EVEN" in Table 32, then the questions were: "If you do buy or lease a car, would it be a new car, or a used car?" , "Would you buy or lease?" and "When do you think you might buy or lease a car?"

* : Less than half of one percent.

TABLE 34

FUTURE VEHICLE PURCHASE INTENTIONS

	Apr. 1980	May 1980	June 1980	July 1980	Aug. 1980	Sept 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
PROPORTION WITH FUTURE PURCHASE INTENTIONS:	69%	67%	68%	67%	61%	70%	67%	66%	67%	66%	62%	67%	65%
PURCHASE TYPE:													
Would buy new	40	39	38	40	35	38	44	38	37	35	33	34	39
Would buy used	26	25	27	24	24	30	20	26	27	29	28	28	24
DK, NA	3	3	3	3	2	2	3	2	3	2	1	5	2
PURCHASE TIMING:													
Less than 2 years	8	7	6	4	6	5	5	6	7	6	5	6	9
2 years	14	17	21	20	18	23	20	23	20	17	23	23	19
3 years	12	10	11	10	8	12	15	11	12	12	9	9	9
4 years or more	20	19	20	21	21	18	15	15	18	19	16	19	22
Indefinite	6	4	3	4	4	4	3	5	3	5	3	3	3
DK, NA	9	10	7	8	4	8	9	6	7	7	6	7	3

If response was "PROBABLY WILL NOT BUY" in Table 32, then the questions were: "If you were to buy a car, would it be a new car or a used car? and "How long do you think it may be before will buy or lease a car?"

U7475-2UA
5/6/81

APRIL 1981 MONTHLY SURVEY

April 29, 1981

Surveys of Consumer Attitudes

Richard T. Curtin, *Director*

FAVORABLE SENTIMENT GROWS CAUTIOUSLY

** In the April 1981 Survey, the Index of Consumer Sentiment was 72.4, up 5.9 Index points from March, and nearly 20 Index points above the 52.7 recorded in April 1980. The April gain was due to improved business expectations, as well as more favorable attitudes toward buying conditions for large household durables.

** Among families with incomes of $25,000 or more, the Index figure was 78.0 in April, up from 73.7 in March, and 57.2 in April 1980. The April improvement was somewhat greater among residents of the North Central region. and among those over age 55; both these subgroups, however, improved by the least amount over year earlier readings.

** Good times were expected in the economy as a whole by 36 percent of all respondents in April 1981, up from 27 percent in March, and just 11 percent in April 1980. Bad times financially, however, continued to dominate responses, with 53 percent who expected bad economic times in April 1981, down from 59 percent in March, and 79 percent in April 1980.

** Favorable attitudes toward buying conditions for large household goods increased to 54 percent, up from 43 percent in March and 41 percent in April 1980. More modest improvements in buying attitudes toward the automobile and housing markets were recorded in April 1981.

** Confidence in government economic policy in April 1981 equaled the prior peak level recorded in early 1977. The current proposals to reduce federal taxes and spending were expected to improve consumers' personal financial situation (42 percent), as well as the economy in general (58 percent). In addition, 46 percent expected the adoption of these proposals to help lower the rate of inflation. Among families who expected tax reduction, the median increase in take-home pay was $40. Nearly as many families planned to save (42 percent) as to spend (46 percent) the additional income. These same results were obtained in 1963, except at that time a greater share of the planned spending was for new purchases, whereas in 1981 most of the planned spending was aimed at restoring balance to inflation-ravaged budgets.

* * *

The April 1981 survey indicates that despite unfavorable evaluation of current economic conditions, the proportion who expected future improvement has grown substantially, mainly due to the expected impact of Reagan's economic proposals. Although these proposals if adopted would reinforce and further spread these favorable expectations, greater improvement in the current financial situation of consumers is needed before a vigorous recovery in consumer sales can take place.

Monitoring Economic Change Program
Institute for Social Research • P.O. Box 1248 • Ann Arbor, Michigan 48106 • (313) 763-5224

Personal Finances

In contrast to the general improvement in expectations since the early 1980 lows, consumers' evaluations of their own current financial situation have remained near record unfavorable levels. In April 1981, 25 percent of all families reported that they were better off financially than a year earlier, down from 29 percent one month earlier, and nearly identical to the 24 percent recorded in April 1980. A worsening financial situation was reported by 46 percent of all families in April 1981, down somewhat from the 51 percent recorded one year earlier. When asked to explain how their financial situation had changed, fewer families mentioned the adverse impact of inflation on family budgets in April 1981 (38 percent) than in April 1980 (45 percent). However, relatively few families reported that their family income had increased in both April 1981 (22 percent) as well as in April 1980 (23 percent). At 22 percent, the April 1981 survey recorded the fewest spontaneous mentions of family income increases in more than a decade.

Despite these unfavorable evaluations of their current financial situation, the balance of opinion has shifted during the past year toward favorable expectations for change. The proportion that expected a worsening financial situation in the year ahead fell to 19 percent in April 1981, down from 31 percent in April 1980, while the proportion who expected an improvement rose to 30 percent in April 1981, from 25 percent in April 1980. When information is combined about both past and expected trends, the proportion who reported a continuously worsening trend in personal finances declined from 21 percent in April 1980 to 11 percent in April 1981.

Although past income increases were reported by relatively few families, expected increases in nominal family income have remained at relatively favorable levels. Among all families, an expected income increase of 10% or more was reported by 29 percent in April 1981, just below the 30 percent recorded in April 1980. The proportion who expected their family income to remain unchanged or to decline during the year ahead was 35 percent in April 1981, nearly equal to the 34 percent recorded in April 1980.

Business Conditions

Consumers more frequently reported that they had not heard of any recent changes in business conditions in the April 1981 survey (47 percent) than one year earlier (35 percent). And among those who had heard of recent business

developments, fewer reported unfavorable changes in April 1981 (49 percent) than in April 1980 (91 percent). In large part, the decline in unfavorable reports can be attributed to fewer mentions of high interest rates (4 percent in April 1981, down from 24 percent a year earlier), and fewer reports of increasing prices (6 percent in April 1981, down from 17 percent a year earlier). Although the majority still view current business conditions as unfavorable, the proportion who thought that business conditions had worsened during the past year fell to 57 percent in April 1981, down from 67 percent in March, and 79 percent in April 1980.

Favorable expectations for improved business conditions have remained relatively unchanged in early 1981, at levels considerably above year earlier readings. Among all families, business conditions were expected to improve by 36 percent in April 1981, more than twice the 14 percent recorded in April 1980; similarly, the proportion who expected worsening business conditions was 21 percent in April 1981, less than half the 46 percent recorded in April 1980. When asked to explain why they expected business conditions to change, each monthly survey since the November 1980 election has recorded nearly one-third who spontaneously mentioned the role of government economic policies and the Reagan administration. In addition, fewer respondents mentioned the unfavorable impact of continued inflation on business conditions in April 1981 (10 percent) than in April 1980 (25 percent), and fewer mentioned the depressing effect of high interest rates on business conditions in April 1981 (2 percent) than in April 1980 (12 percent).

During the first four months of 1981, unemployment, interest rate, and inflation expectations have remained largely unchanged, at levels considerably below year earlier readings. Among all families, the proportion who expected unemployment to increase during the year ahead fell to 40 percent in April 1981, from 62 percent in April 1980. The decline of 22 percentage points was nearly evenly split into those who expected unemployment to decline (17 percent in April 1981, up from 7 percent in April 1980), and those who expected unemployment to remain at the currently high levels (41 percent in April 1981, up from 29 percent in April 1980).

The proportion of families that expected higher interest rates declined to 31 percent by April 1981, from 56 percent in April 1980. Interest rate declines were expected during the year ahead by 38 percent in April 1981, up from 24 percent in April 1980. As in the case of unemployment expectations, the proportion that no longer expected an increase in interest rates is now split

between those expecting a decrease (38% in the current month compared with 24% a year ago) and those that expected no change (27% in April 1981, 18% a year ago).

Prices were expected to increase at an annual rate of 8.1% in the April 1981 survey, down sharply from the 11.1% recorded in April 1980. Among all families, the proportion who expected price increases of 15% or more fell from 25 percent in April 1980, to 14 percent in April 1981. On balance, price expectations have remained in the 7-8% range in early 1981, somewhat below the 8-9% range recorded during much of 1980. The significant decline in price expectations was recorded nearly one year ago, when the rate of expected inflation fell from 11.1% in April 1980 to 8.2% in May 1980.

Expected Impact of Government Economic Policies

Since President Reagan took office, the proportion who rated government economic policy favorably increased from 10 percent in January to 28 percent in April 1981, while the proportion who rated government policy as poor fell from 44 percent in January to 20 percent in April 1981. On balance, by April 1981 confidence in government economic policy equaled the prior peak level recorded in early 1977. The ratings were dissimilar in that respondents more frequently rated Reagan's economic policies as favorable (28 percent) than Carter's (22 percent), and respondents more frequently rated Reagan's policies as poor (20 percent) than Carter's policies (15 percent).

When asked whether they expected a reduction in personal income taxes, 49 percent of all respondents in the April 1981 survey expected Congress to pass such a law, down from 58 percent recorded in both the February and March 1981 surveys. During the past three months, the proportion who did not believe that Congress would pass such a law grew from 29 percent in February to 40 percent in April 1981 (Table A).

Respondents were asked about what impact they expected from the proposed reductions in federal spending and taxes on both their own financial situation as well as on business conditions in general. Among all families, 42 percent expected their personal financial situation to improve, and 58 percent expected business conditions to improve if the current economic proposals were adopted. Very few respondents expected an unfavorable change in either their personal financial situation (4 percent) or in business conditions (6 percent) if these proposals were adopted. Rather, respondents more frequently thought passage of these

TABLE A

EXPECTED PASSAGE OF TAX REDUCTIONS

Expect Tax Reduction?	Oct. 1980	Nov. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
Yes	25%	46%	41%	58%	58%	49%
No	64	42	43	29	32	40
Uncertain; don't know	10	11	15	11	8	8
Not ascertained	1	1	1	2	2	3
Total	100%	100%	100%	100%	100%	100%

The question was: "Do you think personal income taxes will actually be reduced or rebated in the next 12 months--I mean, will Congress pass such a law?"

proposals would not make much difference to their personal financial situation (50 percent) or business conditions (30 percent). It is interesting to note that respondents who expected Congress to actually pass tax reductions viewed the impact of these proposals more favorably on both their personal finances and general business conditions (Table B).

Respondents were also asked about the influence these proposals might have on the rate of inflation. Among all families, 46 percent reported that they expected these proposals to lower the rate of inflation (Table C). The passage of these proposals were more frequently expected to leave the rate of inflation unaffected (34 percent), rather than increase the rate of inflation (12 percent). Among those who expected these proposals to lower the rate of inflation, approximately half also thought that unemployment would also be lower, while the other half expected the lower inflation rates to be accompanied by the same or even higher levels of unemployment. Interestingly, families who actually expected passage of tax reductions more frequently expected lower inflation rates (56 percent) than those who did not expect passage (38 percent), with nearly the entire increase occurring among those who expected both inflation and unemployment to be lower.

TABLE B

EXPECTED IMPACT OF TAX AND SPENDING REDUCTIONS

(April 1981)

Change Expected IF Proposals Adopted	Personal Finances			Business Conditions		
	All Families	Expect Tax Cut? Yes	No	All Families	Expect Tax Cut? Yes	No
Better off	42%	50%	37%	58%	66%	54%
Not much difference	50	43	56	30	26	35
Worse off	4	4	5	6	5	8
Don't know	2	1	2	3	2	2
Not ascertained	2	2	*	3	1	1
Total	100%	100%	100%	100%	100%	100%
Cases	690	343	275	690	343	275

The questions were: "If the current proposals to reduce both taxes and government spending were adopted, do you think you (and your family living there) would be better off financially, worse off financially, or wouldn't it make much difference? AND "If these proposals (to reduce both taxes and government spending) are adopted, do you expect that business conditions in the country as a whole would be better or worse than they are at present, or wouldn't it make much difference?"

In order to gauge the expected reduction in personal income taxes, respondents were asked to estimate the expected increase in their take-home pay, and their planned use of this money. Among all families, 44 percent expected their monthly take-home pay to increase, while 41 percent expected no change (Table D). Among those who expected an increase, the median expected increase in monthly take-home pay was $40. When asked about their planned use of this money, 46 percent had spending plans, while 42 percent said they intended to save or invest the money. Most of the planned expenditures were to repair inflation-ravaged budgets, rather than to make new purchases. Interestingly, those who expected enactment of the tax cuts were more likely to report saving or investment plans.